| | | | | | ST DEPARTMENT DIVISION O | | TURAL RESO | | | | AMENI | FC DED REPOR | RM 3 | |
|----------------|---------------------------|--------------------|---------------|-------------|--|---------------|----------------|--------------|---------|--|------------------|-----------------|----------|--------|
| | | AP | PLICATION F | OR PE | ERMIT TO DRILL | | | | | 1. WELL NAME and NU | JMBER NBU 102 | 22-114CS | | |
| 2. TYPE O | F WORK | DRILL NEW WELL | REENTE | R P&A V | WELL DEEPEN | WELL [|) | | | 3. FIELD OR WILDCAT | | | | |
| 4. TYPE O | F WELL | | | | Methane Well: NO | WLLL | × | | | 5. UNIT or COMMUNIT | | AGREEM | ENT NAM | IE . |
| 6. NAME C | F OPERATOR | | | | | | | | | 7. OPERATOR PHONE | | | | |
| 8. ADDRES | SS OF OPERATO | | KERR-MCGEE C | IL & GAS | S ONSHORE, L.P. | | | | | 9. OPERATOR E-MAIL | 720 92 | 9-6515 | | |
| 10. MINER | AL LEASE NUM | | P.O. Box 1737 | | iver, CO, 80217 1. MINERAL OWNERS | SHIP | | | | julie.ja | | anadarko | com | |
| | , INDIAN, OR S | | | | 450 | DIAN 🔵 | STATE (|) FEE |) | | DIAN \Bigg | STATE | O F | EE 💮 |
| 13. NAME | OF SURFACE | OWNER (if box 12 : | = 'fee') | | | | | | | 14. SURFACE OWNER | R PHONE | (if box 12 | = 'fee') | |
| 15. ADDR | ESS OF SURFA | CE OWNER (if box | 12 = 'fee') | | | | | | | 16. SURFACE OWNER | R E-MAIL | (if box 12 | = 'fee') | |
| | N ALLOTTEE OF | R TRIBE NAME | | | 8. INTEND TO COMM | | RODUCTION | N FROM | | 19. SLANT | | | | |
| (II box 12 | = 'INDIAN') | | | | YES (Submit C | Commingl | ling Applicati | on) NO [| | VERTICAL DIF | RECTION | AL 📵 H | IORIZONT | AL 🔵 |
| 20. LOCA | TION OF WELL | | | FOO | TAGES | QT | R-QTR | SECTI | ION | TOWNSHIP | R | ANGE | МЕ | RIDIAN |
| LOCATIO | N AT SURFACE | | 1: | 828 FSL | 928 FEL | N | NESE | 1 | | 10.0 S | 2: | 2.0 E | | S |
| Top of U | ppermost Prod | ucing Zone | 1: | 579 FSL | 492 FEL | ١ | NESE | 1 | | 10.0 S | 2: | 2.0 E | | S |
| At Total | Depth | | 1: | 579 FSL | 492 FEL | | NESE | 1 | | 10.0 S | 2: | 2.0 E | | S |
| 21. COUN | TY | UINTAH | | 2 | 2. DISTANCE TO NEA | REST LE 49 | | eet) | | 23. NUMBER OF ACRE | ES IN DRI 52 | | IT | |
| | | | | | 5. DISTANCE TO NEA Applied For Drilling (| | leted) | POOL | | 26. PROPOSED DEPTI | | TVD: 847 | 1 | |
| 27. ELEV | ATION - GROUN | D LEVEL | | 21 | 8. BOND NUMBER | | | | | 29. SOURCE OF DRILL WATER RIGHTS APPR | | | PPI ICAB | ıF |
| | | 5107 | | | | WYB00 | 00291 | | | | | 3496 | | |
| Carina | Hole Size | Casing Size | Langth | \Main | Hole, Casing | | ement Info | | | Cement | | Sacks | Yield | Weight |
| String Surf | 12.25 | 8.625 | 0 - 2190 | Weig 28. | | | 0.2 | | | Type V | | 180 | 1.15 | 15.8 |
| | | | | | | | - | | | Class G | | 270 | 1.15 | 15.8 |
| Prod | 7.875 | 4.5 | 0 - 8522 | 11. | 6 I-80 LT8 | &C | 12. | 5 | Pren | nium Lite High Strer | ngth | 270 | 3.38 | 11.0 |
| | | | | | | | | | | 50/50 Poz | | 1160 | 1.31 | 14.3 |
| | | | | | А | TTACH | MENTS | | | | | | | |
| | VER | IFY THE FOLLO | WING ARE A | ГТАСН | IED IN ACCORDAN | ICE WIT | TH THE UT | AH OIL AN | D GAS | CONSERVATION G | ENERA | L RULES | | |
| w w | ELL PLAT OR M | AP PREPARED BY I | ICENSED SUR | /EYOR (| OR ENGINEER | | сом | PLETE DRIL | LING P | LAN | | | | |
| AF | FIDAVIT OF STA | TUS OF SURFACE | OWNER AGREE | EMENT (| (IF FEE SURFACE) | | FORM | 1 5. IF OPER | ATOR IS | S OTHER THAN THE LE | EASE OW | NER | | |
| I DIF | RECTIONAL SUI | RVEY PLAN (IF DIR | ECTIONALLY C | R HORI | IZONTALLY DRILLED |)) | торо | GRAPHICA | L MAP | | | | | |
| NAME Gi | na Becker | | | TI | ITLE Regulatory Analy | rst II | | | PHON | E 720 929-6086 | | | | |
| SIGNATU | RE | | | DA | ATE 02/03/2012 | | | | EMAIL | gina.becker@anadark | o.com | | | |
| | BER ASSIGNED)4752364(| 0000 | | AF | PPROVAL | | | | Bro | 00 gill | | | | |
| | | | | | | | | | Pern | nit Manager | | | | |

NBU 1022-1I Pad Drilling Program
1 of 7

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-114CS

Surface: 1828 FSL / 928 FEL NESE BHL: 1579 FSL / 492 FEL NESE

Section 1 T10S R22E

Uintah County, Utah Mineral Lease: UTU-011336

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. & 2. <u>Estimated Tops of Important Geologic Markers</u>: <u>Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations</u>:

| <u>Formation</u> | <u>Depth</u> | <u>Resource</u> |
|------------------|--------------|-----------------|
| Uinta | 0 - Surface | |
| Green River | 1108 | |
| Birds Nest | 1376 | Water |
| Mahogany | 1736 | Water |
| Wasatch | 4136 | Gas |
| Mesaverde | 6298 | Gas |
| MVU2 | 7268 | Gas |
| MVL1 | 7834 | Gas |
| TVD | 8471 | |
| TD | 8522 | |

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program

4. <u>Proposed Casing & Cementing Program:</u>

Please refer to the attached Drilling Program

5. <u>Drilling Fluids Program:</u>

Please refer to the attached Drilling Program

6. <u>Evaluation Program</u>:

Please refer to the attached Drilling Program

NBU 1022-1I Pad Drilling Program 2 of 7

7. <u>Abnormal Conditions</u>:

Maximum anticipated bottom hole pressure calculated at 8471' TVD, approximately equals 5,421 psi 0.64 psi/ft = actual bottomhole gradient

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,546 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. <u>Anticipated Starting Dates:</u>

Drilling is planned to commence immediately upon approval of this application.

9. <u>Variances:</u>

Please refer to the attached Drilling Program. Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- · Blowout Prevention Equipment (BOPE) requirements;
- Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

NBU 1022-1I Pad Drilling Program
3 of 7

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KM well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and

NBU 1022-1I Pad Drilling Program
4 of 7

on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Variance for FIT Requirements

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

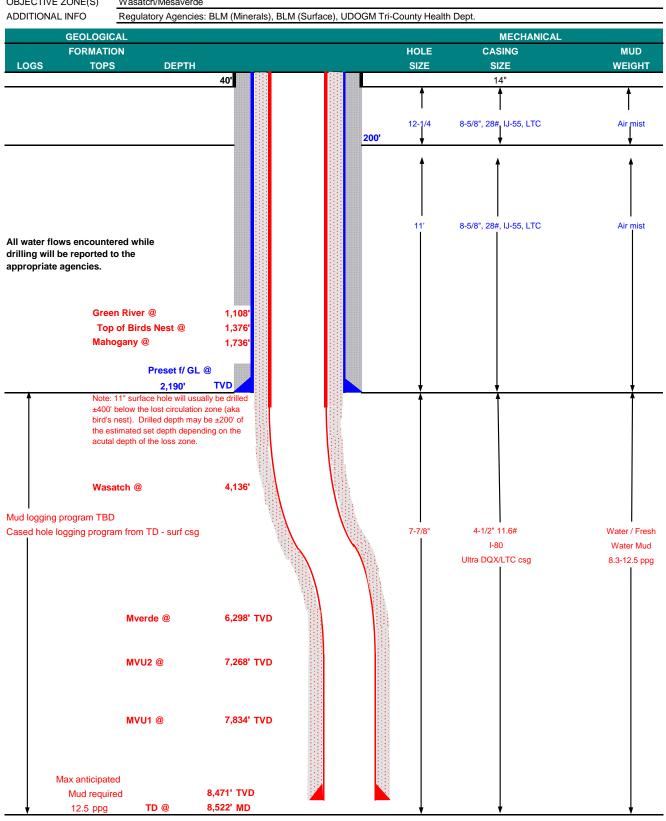
10. <u>Other Information:</u>

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE October 6, 2011 NBU 1022-114CS 8,522' MD WELL NAME TD 8,471' TVD FIELD FINISHED ELEVATION Natural Buttes COUNTY Uintah STATE Utah 5107 SURFACE LOCATION NESE 1828 FSL 928 FEL Sec 1 T 10S R 22E Latitude: 39.975684 Longitude: -109.382121 **NAD 83** BTM HOLE LOCATION NESE 1579 FSL 492 FEL T 10S R 22E Sec 1 Latitude: 39.974993 Longitude: -109.380571 **NAD 83** OBJECTIVE ZONE(S) Wasatch/Mesaverde





KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

| CASING PROGRAM | <u>1</u> | DESIGN FACTORS | | | | | | | | | |
|----------------|----------|----------------|------|--------|-------|-------|-------|-------|-------|---------|---------|
| | | | | | | | | | | LTC | DQX |
| | SIZE | INTE | RVAL | | WT. | GR. | CPLG. | BURST | COLL | APSE | TENSION |
| CONDUCTOR | 14" | 0 | -40' | | | | | | | | |
| | | | | | | | | 3,390 | 1,880 | 348,000 | N/A |
| SURFACE | 8-5/8" | 0 | to | 2,190 | 28.00 | IJ-55 | LTC | 2.47 | 1.83 | 6.48 | N/A |
| | | | | | | | | 7,780 | 6,350 | 223,000 | 267,035 |
| PRODUCTION | 4-1/2" | 0 | to | 5,000 | 11.60 | I-80 | DQX | 1.11 | 1.15 | | 3.34 |
| | 4-1/2" | 5,000 | to | 8,522' | 11.60 | I-80 | LTC | 1.11 | 1.15 | 6.75 | |

Surface Casing:

(Burst Assumptions: TD = 12.5 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi) 0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

| | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGH | IT | YIELD |
|----------------------|-------------|--|-------------|--------------|---------------|----|-------|
| SURFACE LEAD | 500' | Premium cmt + 2% CaCl | 180 | 60% | 15.80 | | 1.15 |
| Option 1 | | + 0.25 pps flocele | | | | | |
| TOP OUT CMT (6 jobs) | 1,200' | 20 gals sodium silicate + Premium cmt | 270 | 0% | 15.80 | | 1.15 |
| | | + 2% CaCl + 0.25 pps flocele | | | | | |
| SURFACE | | NOTE: If well will circulate water | to surface, | option 2 wil | l be utilized | | |
| Option 2 LEAD | 1,690' | 65/35 Poz + 6% Gel + 10 pps gilsonite | 160 | 35% | 11.00 | | 3.82 |
| | | + 0.25 pps Flocele + 3% salt BWOW | | | | | |
| TAIL | 500' | Premium cmt + 2% CaCl | 150 | 35% | 15.80 | | 1.15 |
| | | + 0.25 pps flocele | | | | | |
| TOP OUT CMT | as required | Premium cmt + 2% CaCl | as req. | | 15.80 | | 1.15 |
| PRODUCTION LEAD | 3,632' | Premium Lite II +0.25 pps | 270 | 20% | 11.00 | | 3.38 |
| | | celloflake + 5 pps gilsonite + 10% gel | | | | | |
| | | + 0.5% extender | | | | | |
| TAIL | 4,890' | 50/50 Poz/G + 10% salt + 2% gel | 1,160 | 35% | 14.30 | | 1.31 |
| | | + 0.1% R-3 | | | | | |

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

| SURFACE | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
|------------|--|
| PRODUCTION | Float shoe, 1 jt, float collar. No centralizers will be used. |
| | |

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

| Surveys will be taken at 1,000 minimum intervals. |
|--|
| Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized |

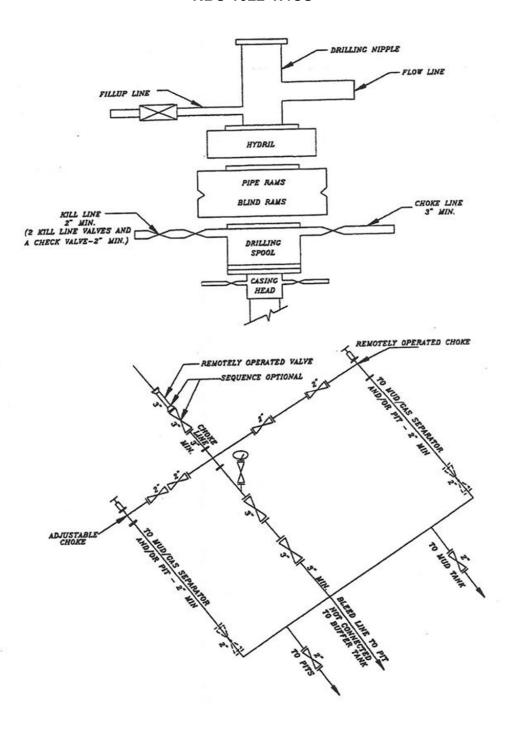
| DRILLING ENGINEER: | | DATE: |
|--------------------------|---|-------|
| | Nick Spence / Danny Showers / Chad Loesel | |
| DRILLING SUPERINTENDENT: | | DATE: |

Kenny Gathings / Lovel Young

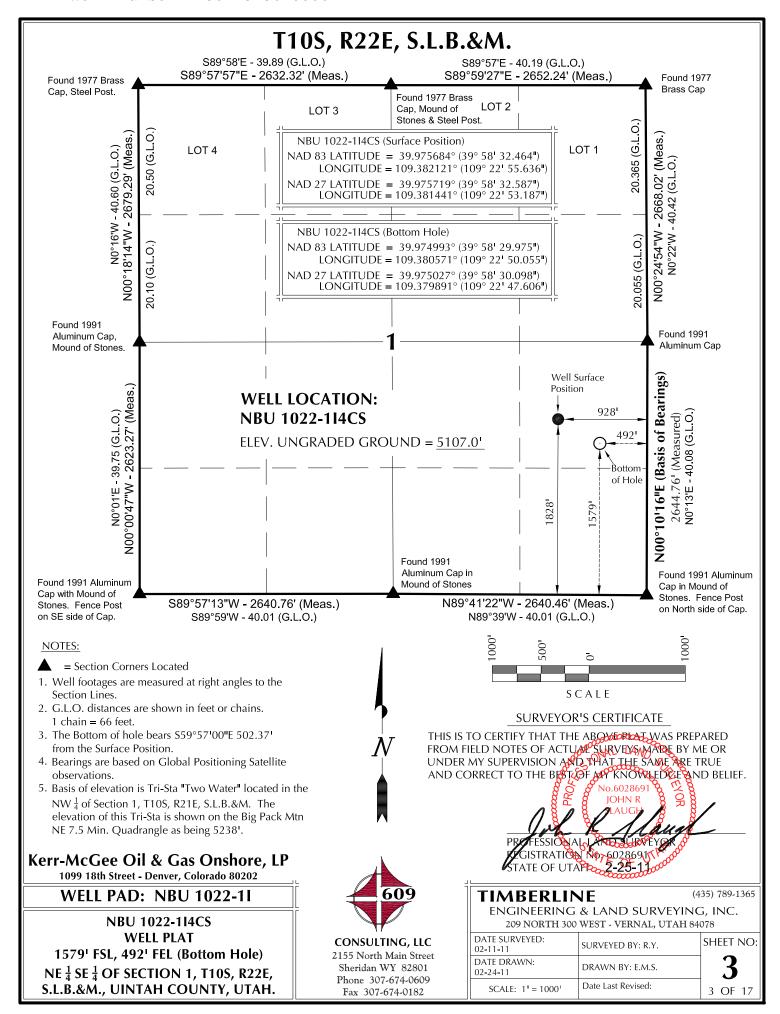
NBU 1022-11 Pad- Drilling Program Approved- 100611.xlsx RECEIVED: February 02, 2012

^{*}Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

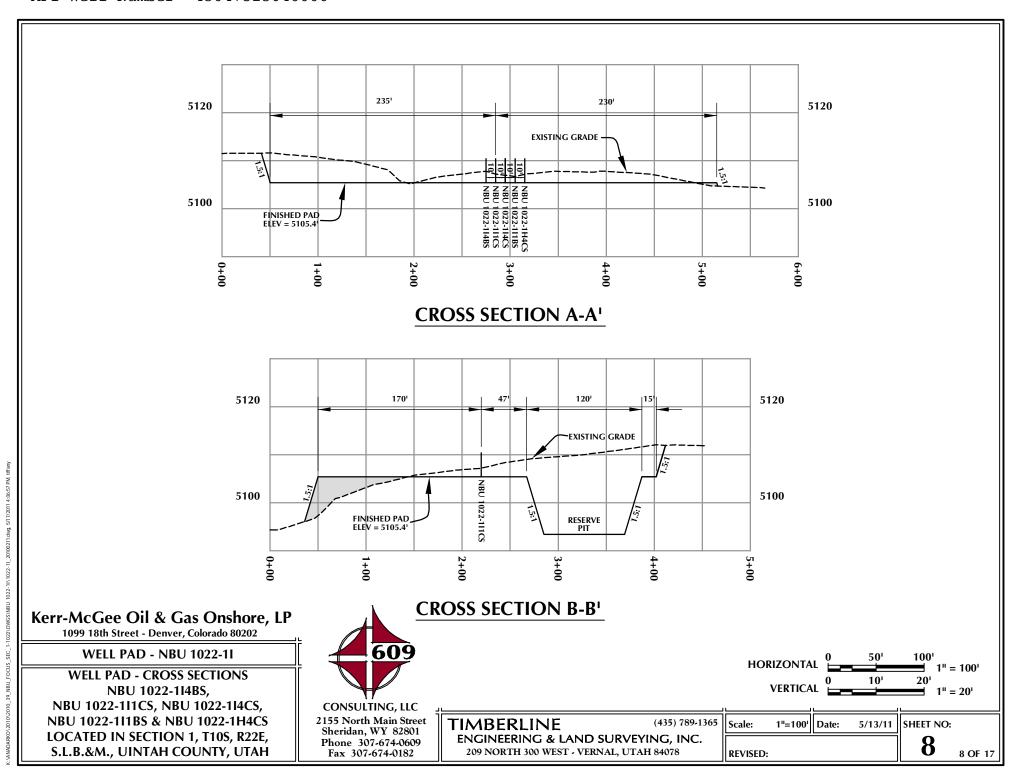
EXHIBIT A NBU 1022-114CS

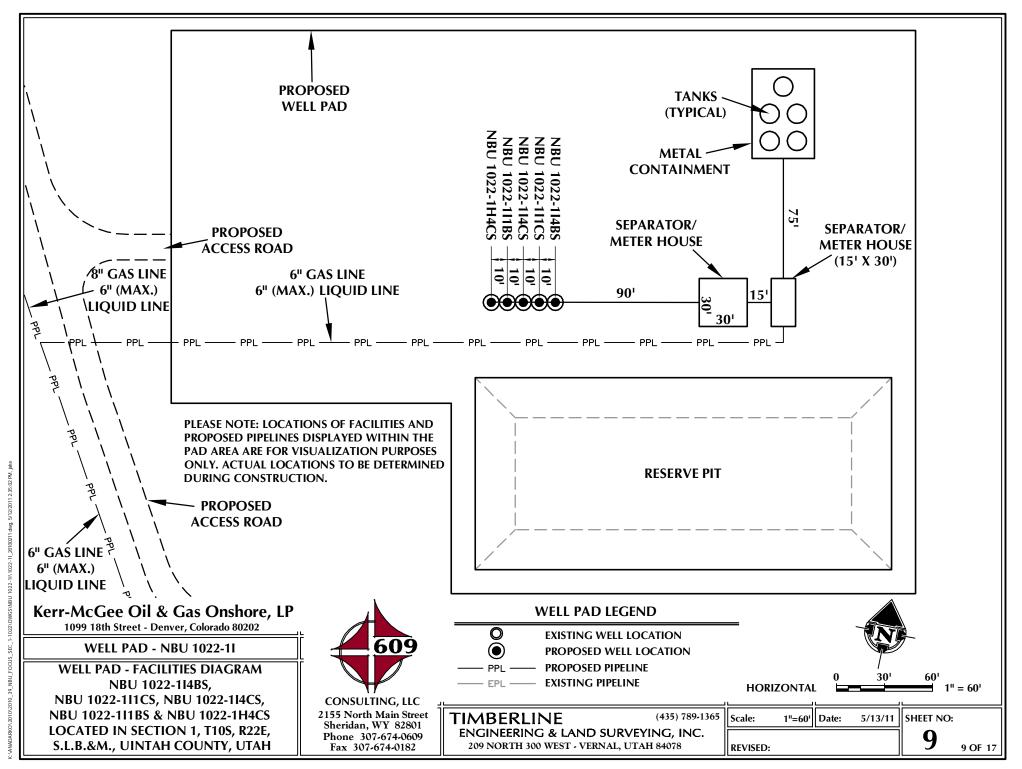


SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



| | | | SURFACE P | OSITION | | | | | В | OTTOM HOLE | | |
|-------------------|---|-------------------------|--------------|--|--|-----------------------------|--|--|--|-----------------------------|-------------------------------|-----------------------|
| WELL NAME | | D83 | | NAD2 | | | | NAD | | | | |
| N.D. | LATITUDE | LONGITU | | | LONGITUDE | | LATIT | | LONGITUDE | LATITUDE | LONGITUDE | |
| NBU 1022-114BS | 39°58'32.500' 39.975694° | 109°22'55. 109.38205 | | 1.5 | 09°22'52.933" 09.381370° | 1832' FSL 908' FEL | 39°58'3 39.9759 | | 109°22'50.526" 109.380702° | 39°58'33.410" 39.975947° | 109°22'48.077" 109.380021° | 1914' FSL 530' FEL |
| NBU | 39°58'32.482' | | 509" 39°58'3 | 32.605" 1 | 09°22'53.060" | 1830' FSL | 39°58'3 | 36.535" [| 109.300702 109°22'50.021" | 39°58'36.658" | 109°22'47.572" | |
| 1022-111CS | 39.975689° | 109.38208 | 6° 39.975 | 724° 1 | 09.381405° | 918' FEL | 39.9768 | 815° (| 109.380562° | 39.976849° | 109.379881° | 492' FEL |
| NBU 1022-114CS | 39°58'32.464' 39.975684° | 109°22'55. 109.38212 | I | | 09°22'53.187" 09.381441° | 1828' FSL 928' FEL | 39°58'2 39.9749 | | 109°22'50.055" 109.380571° | 39°58'30.098" 39.975027° | 109°22'47.606" 109.379891° | 1579' FSL 492' FEL |
| NBU | 39°58'32.443' | | | | 09°22'53.313" | 1826¹ FSL | 39°58'3 | | 109:380371 109°22'50.005" | 39°58'39.948" | 109.37 9091 109°22'47.556" | 2576' FSL |
| 1022-111BS | 39.975679° | 109.38215 | 6° 39.975 | 713° 1 | 09.381476° | 937' FEL | 39.9777 | 729° - | 109.380557° | 39.977763° | 109.379877° | 492' FEL |
| NBU 1022-1H4CS | 39°58'32.425' 39.975674° | 109°22'55. 109.38219 | | 1.5 | 09°22'53.439" 09.381511° | 1824' FSL 947' FEL | 39°58'4 39.9786 | | 109°22'50.022" 109.380562° | 39°58'43.150" 39.978653° | 109°22'47.573" 109.379881° | 2410' FNL 492' FEL |
| 1022-111703 | JJ.J/JU/T | 1103.30219 | | | OORDINATES - | | | | | 55.570033 | 103.373001 | TJ4 IEL |
| WELL NAME | NORTH | EAST | WELL NAM | | | | NAME | NORT | | WELL NAM | NORTH | EAST |
| NBU | 80.0' | 378.1 | NBU | 410 | | NBU | | -251.0 | | NBU | 747.6 | 447.6' |
| 1022-114BS | | | 1022-111CS | | 720. | 1022-1 | 14CS | 231. | 13 1.0 | 1022-111BS | 7 17.10 | 117.0 |
| WELL NAME NBU | NORTH | EAST | | | | | | | | | | , |
| NBU 1022-1H4CS | 1,073.51 | 455.81 | | | | 4 | 1 | | | | \mathcal{A} | , |
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| | | | | / | _// | <i>,</i> | | 78°03′ | 21 E - 30 | | 1 | |
| | | | | /, | 0' 10' | | N | 1000 | Bottom Hole | E) | 1 | |
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| | | | | 1 / | V | | | | | | | |
| Voru Mari | Cac (A:1 (| e. Caa C |)noboss | I D | | 1 | | _ | | | | |
| | Gee Oil & | | | LP | | 1 | _ | | | | | |
| | 8th Street - De | • | | —— F | | (00 | | 1- | | | | |
| WE | LL PAD - | NBU 10 | 022-11 | | | 609 | | 11 | MBERLI | | | 35) 789-1365 |
| \A/EII | PAD INTE | DEEDEN | CE DI AT | | | | | E1 | | | SURVEYING | |
| | MELLS - NBU | | | | | 1 | | | | 00 WEST - VEF | RNAL, UTAH 84 | |
| | WELLS NBO 1022-111CS, | | , | | | JLTING, LL | | DATE 02-11- | SURVEYED: -11 | SURVEYED E | BY: R.Y. | SHEET NO: |
| | 1022-111CS, 1022-111BS 8 | | | | | rth Main Stre | | | DRAWN: | DDAMALDY | . E A A C | L |
| | TED IN SECT | | | | | n WY 82801 307-674-0609 | | 02-24- | | DRAWN BY: | | O |
| | &M., UINTA | | | | | 307-674-060: 07-674-0182 | , | SC | CALE: 1" = 60" | Date Last Re | vised: | 6 OF 17 |
| | , | | , = | | 10,5 3 | | | | | | | |





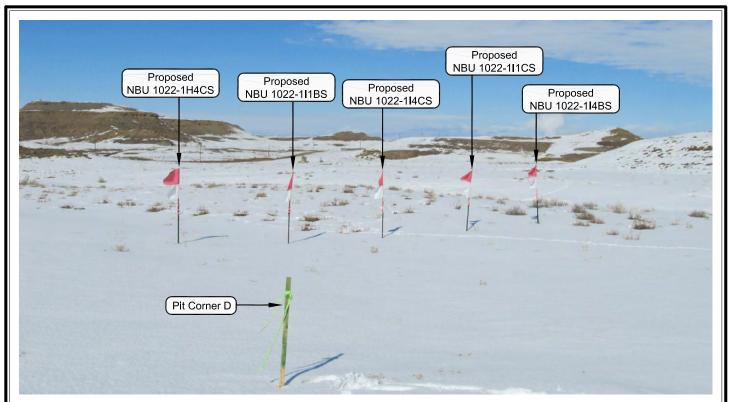


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE





PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHEASTERLY

Kerr-McGee Oil & Gas Onshore, LP

1099 18th Street - Denver, Colorado 80202

WELL PAD - NBU 1022-11

LOCATION PHOTOS NBU 1022-114BS, NBU 1022-111CS, NBU 1022-114CS, NBU 1022-111BS & NBU 1022-1H4CS LOCATED IN SECTION 1, T10S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH.



CONSULTING, LLC 2155 North Main Street

Sheridan WY 82801 Phone 307-674-0609 Fax 307-674-0182

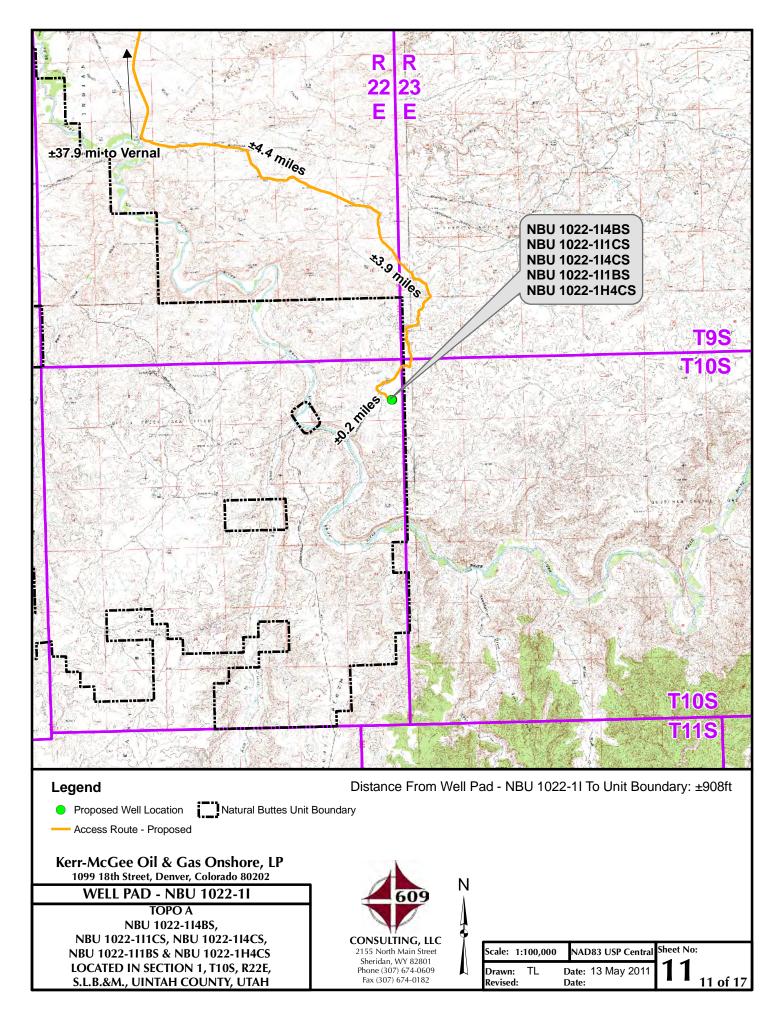
| T | I | A. | 4 | R | F | R | 1 | ı | N | ı | E |
|---|---|----|---|----|---|---|---|---|---|---|---|
| | | IV | ъ | 1) | | 1 | | | 1 | | |

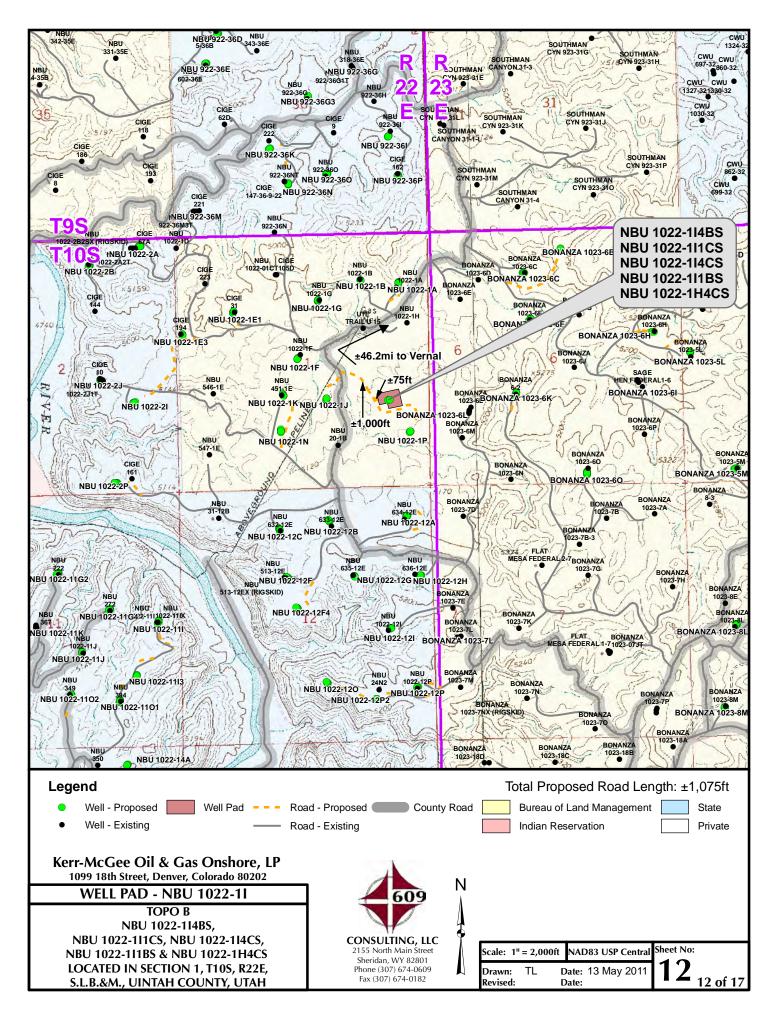
(435) 789-1365

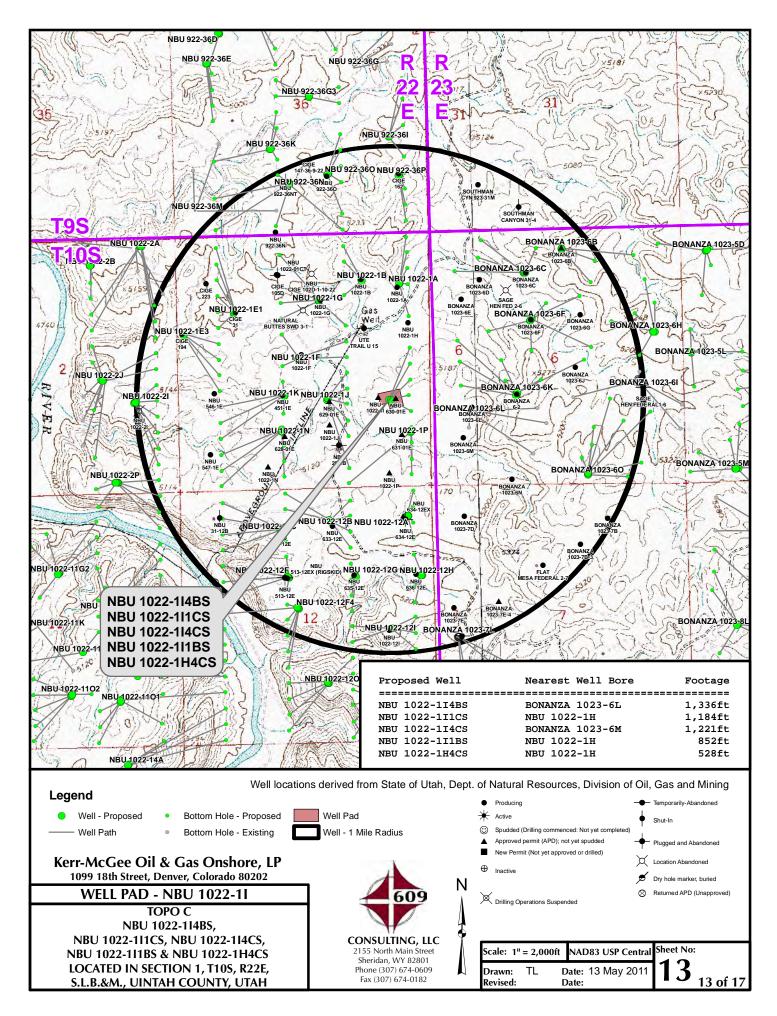
10 OF 17

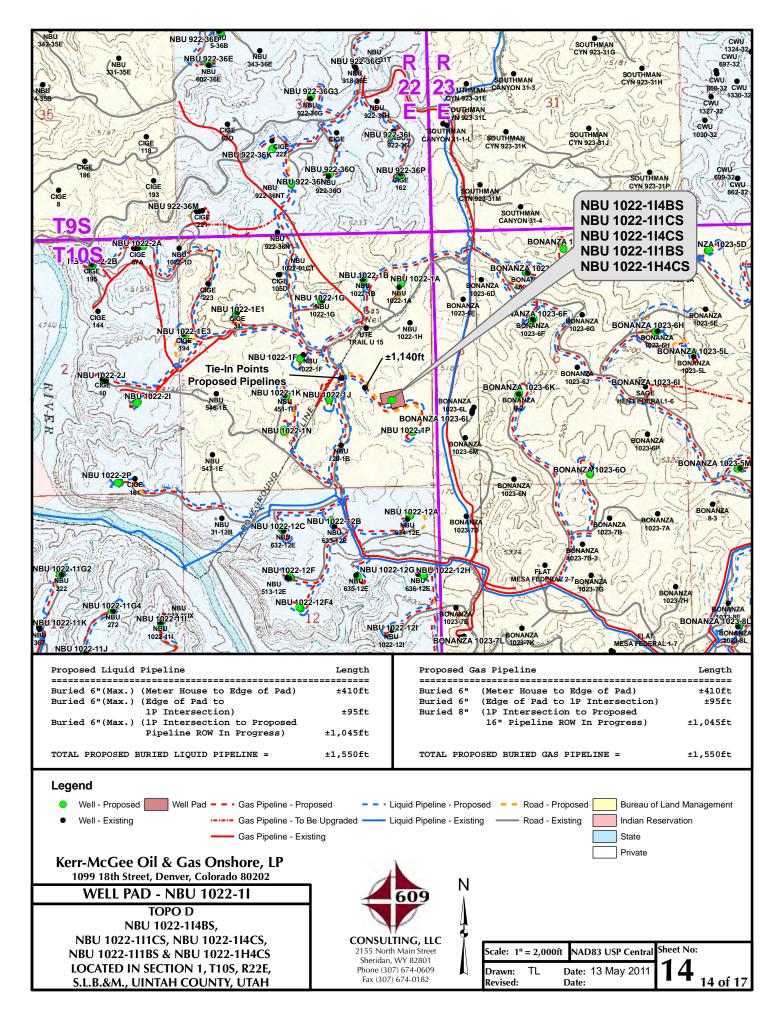
ENGINEERING & LAND SURVEYING, INC. 209 NORTH 300 WEST - VERNAL, UTAH 84078

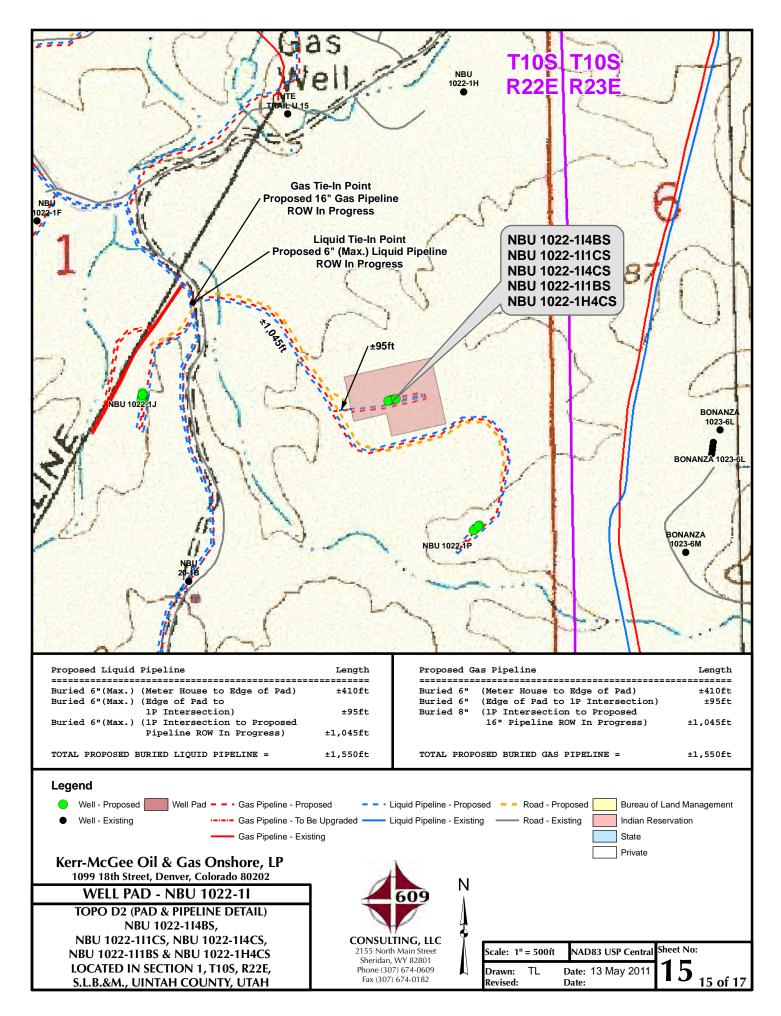
| ı | DATE PHOTOS TAKEN: 02-11-11 | PHOTOS TAKEN BY: R.Y. | SHEET NO: |
|---|-----------------------------|-----------------------|-----------|
| ı | DATE DRAWN: 02-23-11 | DRAWN BY: E.M.S. | 10 |
| | Date Last Revised: | | 10 OF 17 |

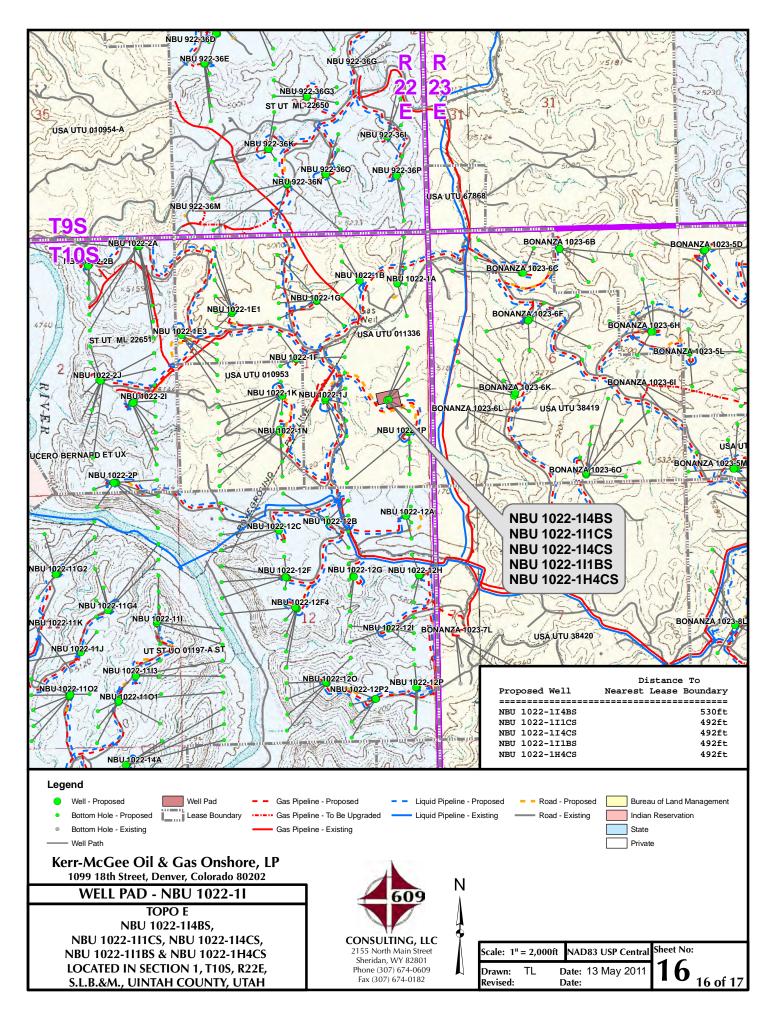












Kerr-McGee Oil & Gas Onshore, LP WELL PAD – NBU 1022-1I WELLS – NBU 1022-1I4BS, NBU 1022-1I1CS, NBU 1022-1I4CS, NBU 1022-1I1BS & NBU 1022-1H4CS Section 1, T10S, R22E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the intersection of the Fidlar Road (County B Road 3410) which road intersection is approximately 400 feet northeast of the Mountain Fuel Bridge at the White River. Exit left and proceed in a southeasterly direction along the Fidlar Road approximately 4.4 miles to the intersection of the Seven Sisters Road (County B Road 3420). Exit right and proceed in a southeasterly, then southerly direction along the Seven Sisters Road approximately 3.9 miles to a proposed access road to the southeast. Follow road flags in a southeasterly direction approximately 1,000 feet to a second proposed access road to the southeast. Follow road flags in a southeasterly direction approximately 75 feet to the proposed well pad.

Total distance from Vernal, Utah to the proposed well location is approximately 46.4 miles in a southerly direction.

SHEET 17 OF 17

API Well Number: 43047 520366 00700 - UTM (feet), NAD27, Zone 12N

Scientific Drilling

Rocky Mountain Operations

Vertical Section at 120.12° (1500 ft/in)

Site: NBU 1022-11 PAD Well: NBU 1022-114CS

Wellbore: OH

Design: PLAN #1 PRELIMINARY

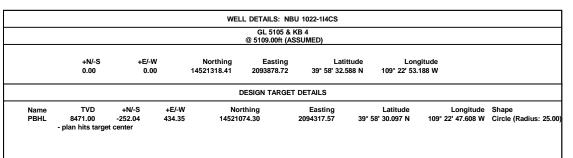


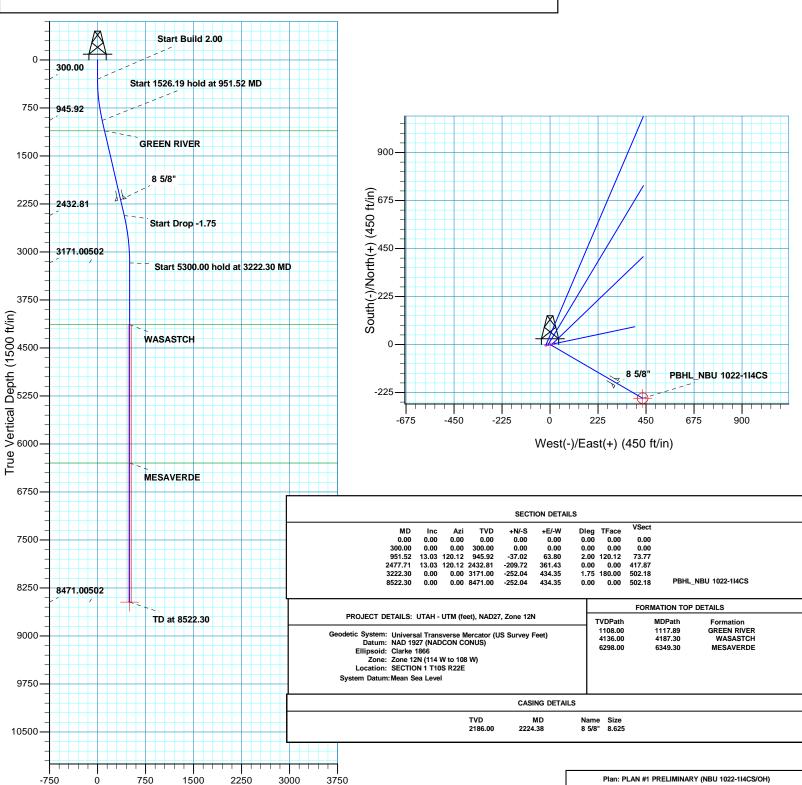
T M Azimuths to True North Magnetic North: 11.00°

Created By: RobertScott Date: 11:04, August 18 2011

RECEIVED:

Magnetic Field
Strength: 52313.8snT
Dip Angle: 65.87°
Date: 08/18/2011
Model: IGRF2010







US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N NBU 1022-1I PAD NBU 1022-1I4CS

OH

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

18 August, 2011





SDI Planning Report



EDM5000-RobertS-Local Database:

Company: US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N

Site: NBU 1022-1I PAD

Well: NBU 1022-1I4CS

Wellbore: ОН

Project:

Design: PLAN #1 PRELIMINARY Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:

MD Reference:

North Reference:

Well NBU 1022-114CS GL 5105 & KB 4

@ 5109.00ft (ASSUMED)

GL 5105 & KB 4 @ 5109.00ft (ASSUMED)

Minimum Curvature

Project UTAH - UTM (feet), NAD27, Zone 12N

Map System: Universal Transverse Mercator (US Survey Feet)

NAD 1927 (NADCON CONUS) Geo Datum: Zone 12N (114 W to 108 W) Map Zone:

System Datum: Mean Sea Level

NBU 1022-1I PAD, SECTION 1 T10S R22E Site

Northing: 14,521,314.05 usft Site Position: Latitude: 39° 58' 32.549 N From: Lat/Long Easting: 2,093,859.18 usft Longitude: 109° 22' 53.440 W 0.00 ft Slot Radius: 13.200 in **Grid Convergence:** 1.04° **Position Uncertainty:**

Well NBU 1022-1I4CS, 1828 FSL 928 FEL 14,521,318.41 usft **Well Position** 4.01 ft 39° 58' 32.588 N +N/-S Northing: Latitude: +E/-W 19.62 ft Easting: 2,093,878.72 usft Longitude: 109° 22' 53.188 W

Position Uncertainty 0.00 ft Wellhead Elevation: **Ground Level:** 5.105.00 ft

ОН Wellbore Declination Field Strength Magnetics **Model Name** Sample Date Dip Angle (°) (°) (nT) IGRF2010 08/18/11 11.00 65.87 52,314

PLAN #1 PRELIMINARY Design **Audit Notes:** PLAN 0.00 Version: Phase: Tie On Depth: Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°) 0.00 0.00 0.00 120.12

| Plan Sections | | | | | | | | | | |
|---------------------------|--------------------|----------------|---------------------------|---------------|---------------|-----------------------------|----------------------------|---------------------------|------------|-------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 951.52 | 13.03 | 120.12 | 945.92 | -37.02 | 63.80 | 2.00 | 2.00 | 0.00 | 120.12 | |
| 2,477.71 | 13.03 | 120.12 | 2,432.81 | -209.72 | 361.43 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3,222.30 | 0.00 | 0.00 | 3,171.00 | -252.04 | 434.35 | 1.75 | -1.75 | 0.00 | 180.00 | |
| 8,522.30 | 0.00 | 0.00 | 8,471.00 | -252.04 | 434.35 | 0.00 | 0.00 | 0.00 | 0.00 F | PBHL_NBU 1022-114 |



SDIPlanning Report



Database: EDM5000-RobertS-Local

Company: US ROCKIES REGION PLANNING

Project: UTAH - UTM (feet), NAD27, Zone 12N

 Site:
 NBU 1022-1I PAD

 Well:
 NBU 1022-1I4CS

Wellbore: OH

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

Survey Calculation Method:

Well NBU 1022-1I4CS GL 5105 & KB 4

@ 5109.00ft (ASSUMED) GL 5105 & KB 4

@ 5109.00ft (ASSUMED)

True

Minimum Curvature

| yıı. | | | | | | | | | | |
|--------------------------|------------------|-----------------|----------------|---------------------------|---------------|---------------|-----------------------------|-----------------------------|----------------------------|---------------------------|
| ned Survey | | | | | | | | | | |
| Measure Depth (ft) | | lination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 0 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100 | | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | uild 2.00 | 0.00 | 0.00 | 000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 2.00 | 400.40 | 200.00 | 0.00 | 4.54 | 4 75 | 0.00 | 2.00 | 0.00 |
| 400 |).00 | 2.00 | 120.12 | 399.98 | -0.88 | 1.51 | 1.75 | 2.00 | 2.00 | 0.00 |
| 500 | 0.00 | 4.00 | 120.12 | 499.84 | -3.50 | 6.04 | 6.98 | 2.00 | 2.00 | 0.00 |
| 600 | | 6.00 | 120.12 | 599.45 | -7.88 | 13.57 | 15.69 | 2.00 | 2.00 | 0.00 |
| 700 | | 8.00 | 120.12 | 698.70 | -13.99 | 24.11 | 27.88 | 2.00 | 2.00 | 0.00 |
| | 0.00 | 10.00 | 120.12 | 797.47 | -21.84 | 37.64 | 43.52 | 2.00 | 2.00 | 0.00 |
| | 0.00 | 12.00 | 120.12 | 895.62 | -31.42 | 54.15 | 62.60 | 2.00 | 2.00 | 0.00 |
| 900 | 0.00 | 12.00 | 120.12 | 093.02 | -31.42 | 34.13 | 02.00 | 2.00 | 2.00 | 0.00 |
| 951 | 1.52 | 13.03 | 120.12 | 945.92 | -37.02 | 63.80 | 73.77 | 2.00 | 2.00 | 0.00 |
| Start 15 | 526.19 hold | d at 951.52 | MD | | | | | | | |
| 1,000 | 0.00 | 13.03 | 120.12 | 993.15 | -42.51 | 73.26 | 84.70 | 0.00 | 0.00 | 0.00 |
| 1,100 | | 13.03 | 120.12 | 1,090.57 | -53.82 | 92.76 | 107.24 | 0.00 | 0.00 | 0.00 |
| 1,117 | | 13.03 | 120.12 | 1,108.00 | -55.85 | 96.25 | 111.28 | 0.00 | 0.00 | 0.00 |
| | RIVER | | | , | | | | | | |
| 1,200 | | 13.03 | 120.12 | 1,188.00 | -65.14 | 112.26 | 129.79 | 0.00 | 0.00 | 0.00 |
| 1,200 | 7.00 | 10.00 | 120.12 | 1,100.00 | 00.14 | 112.20 | 120.70 | 0.00 | | 0.00 |
| 1,300 | 0.00 | 13.03 | 120.12 | 1,285.43 | -76.46 | 131.76 | 152.34 | 0.00 | 0.00 | 0.00 |
| 1,400 | 0.00 | 13.03 | 120.12 | 1,382.85 | -87.77 | 151.26 | 174.88 | 0.00 | 0.00 | 0.00 |
| 1,500 | 0.00 | 13.03 | 120.12 | 1,480.28 | -99.09 | 170.77 | 197.43 | 0.00 | 0.00 | 0.00 |
| 1,600 | 0.00 | 13.03 | 120.12 | 1,577.70 | -110.40 | 190.27 | 219.98 | 0.00 | 0.00 | 0.00 |
| 1,700 | 0.00 | 13.03 | 120.12 | 1,675.13 | -121.72 | 209.77 | 242.53 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | | |
| 1,800 | | 13.03 | 120.12 | 1,772.55 | -133.04 | 229.27 | 265.07 | 0.00 | 0.00 | 0.00 |
| 1,900 | | 13.03 | 120.12 | 1,869.98 | -144.35 | 248.77 | 287.62 | 0.00 | 0.00 | 0.00 |
| 2,000 | | 13.03 | 120.12 | 1,967.40 | -155.67 | 268.27 | 310.17 | 0.00 | 0.00 | 0.00 |
| 2,100 | 0.00 | 13.03 | 120.12 | 2,064.83 | -166.98 | 287.77 | 332.71 | 0.00 | 0.00 | 0.00 |
| 2,200 | 0.00 | 13.03 | 120.12 | 2,162.25 | -178.30 | 307.28 | 355.26 | 0.00 | 0.00 | 0.00 |
| 2,224 | 1 38 | 13.03 | 120.12 | 2,186.00 | -181.06 | 312.03 | 360.76 | 0.00 | 0.00 | 0.00 |
| | 1 .00 | 10.00 | 120.12 | 2,100.00 | -101.00 | 312.03 | 300.70 | 0.00 | 0.00 | 0.00 |
| 8 5/8" | | 40.00 | 100.10 | 0.050.00 | 100.00 | 000 70 | 077.04 | 0.00 | 0.00 | 2.22 |
| 2,300 | | 13.03 | 120.12 | 2,259.68 | -189.62 | 326.78 | 377.81 | 0.00 | 0.00 | 0.00 |
| 2,400 | | 13.03 | 120.12 | 2,357.10 | -200.93 | 346.28 | 400.35 | 0.00 | 0.00 | 0.00 |
| 2,477 | 7.71 | 13.03 | 120.12 | 2,432.81 | -209.72 | 361.43 | 417.87 | 0.00 | 0.00 | 0.00 |
| Start Di | rop -1.75 | | | | | | | | | |
| 2,500 | 0.00 | 12.64 | 120.12 | 2,454.54 | -212.21 | 365.72 | 422.83 | 1.75 | -1.75 | 0.00 |
| 2,600 | 0.00 | 10.89 | 120.12 | 2,552.44 | -222.44 | 383.35 | 443.22 | 1.75 | -1.75 | 0.00 |
| | | | | , | | | | | | |
| 2,700 | | 9.14 | 120.12 | 2,650.91 | -231.17 | 398.39 | 460.61 | 1.75 | -1.75 | 0.00 |
| 2,800 | | 7.39 | 120.12 | 2,749.87 | -238.39 | 410.83 | 474.98 | 1.75 | -1.75 | 0.00 |
| 2,900 | | 5.64 | 120.12 | 2,849.22 | -244.08 | 420.64 | 486.33 | 1.75 | -1.75 | 0.00 |
| 3,000 |).00 | 3.89 | 120.12 | 2,948.87 | -248.25 | 427.83 | 494.63 | 1.75 | -1.75 | 0.00 |
| 3,100 | 0.00 | 2.14 | 120.12 | 3.048.73 | -250.89 | 432.38 | 499.89 | 1.75 | -1.75 | 0.00 |
| 3,200 | | 0.39 | 120.12 | 3,148.70 | -252.00 | 434.29 | 502.10 | 1.75 | -1.75 | 0.00 |
| 3,222 | | 0.00 | 0.00 | 3,171.00 | -252.04 | 434.35 | 502.18 | 1.75 | -1.75 | -538.62 |
| | | | | 5, 17 1.00 | 202.07 | | 552.10 | 1.75 | -1.75 | 000.02 |
| | | d at 3222.30 | | 2 240 70 | 252.04 | 424.25 | E00 10 | 0.00 | 0.00 | 0.00 |
| 3,300 | | 0.00 | 0.00 | 3,248.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 3,400 |).00 | 0.00 | 0.00 | 3,348.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 3,500 | 0.00 | 0.00 | 0.00 | 3,448.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 3,600 | | 0.00 | 0.00 | 3,548.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 3,700 | | 0.00 | 0.00 | 3,648.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 3,800 | | 0.00 | 0.00 | 3,748.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | | |
| 3,900 | 7.00 | 0.00 | 0.00 | 3,848.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |



Company:

SDIPlanning Report



Database: EDM5000-RobertS-Local

US ROCKIES REGION PLANNING

Project: UTAH - UTM (feet), NAD27, Zone 12N

 Site:
 NBU 1022-11 PAD

 Well:
 NBU 1022-114CS

Wellbore: OH

Design: PLAN #1 PRELIMINARY

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

Survey Calculation Method:

Well NBU 1022-1I4CS

GL 5105 & KB 4

@ 5109.00ft (ASSUMED)

GL 5105 & KB 4

@ 5109.00ft (ASSUMED) True

Minimum Curvature

| anned Survey | | | | | | | | | |
|----------------------|--------------|--------------|----------------------|--------------------|------------------|-----------------------------|-----------------------------|----------------------------|---------------------------|
| Measured Depth | Inclination | Azimuth | Vertical Depth | +N/-S | +E/-W | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| (ft) | (°) | (°) | (ft) | (ft) | (ft) | (11) | (710011) | (710011) | (/10011) |
| 4,000.00 | 0.00 | 0.00 | 3,948.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 0.00 | 0.00 | 4,048.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4,187.30 | 0.00 | 0.00 | 4,136.00 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| WASASTCH | | | | | | | | | |
| 4,200.00 | 0.00 | 0.00 | 4,148.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 0.00 | 0.00 | 4,248.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4.400.00 | 0.00 | 0.00 | 4,348.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4.500.00 | 0.00 | 0.00 | 4,448.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 0.00 | 0.00 | 4,548.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4,700.00 | 0.00 | 0.00 | 4,648.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 4,800.00 | 0.00 | 0.00 | 4,748.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 4,900.00 | 0.00 | 0.00 | 4,848.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 0.00 | 0.00 | 4,948.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 0.00 | 0.00 | 5,048.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 0.00 | 0.00 | 5,148.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 0.00 | 0.00 | 5,248.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 0.00 | 0.00 | 5,348.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 0.00 | 0.00 | 5,448.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 0.00 | 0.00 | 5,548.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 0.00 | 0.00 | 5,648.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 0.00 | 0.00 | 5,748.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 0.00 | 0.00 | 5,848.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 0.00 | 0.00 | 5,948.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 0.00 | 0.00 | 6,048.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 0.00 | 0.00 | 6,148.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 0.00 | 0.00 | 6,248.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 6,349.30 | 0.00 | 0.00 | 6,298.00 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| MESAVERD | | | | | | | | | |
| 6,400.00 | 0.00 | 0.00 | 6,348.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 0.00 | 0.00 | 6,448.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 0.00 | 0.00 | 6,548.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 0.00 | 0.00 | 6,648.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 0.00 | 0.00 | 6,748.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 0.00 | 0.00 | 6,848.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 0.00 | 0.00 | 6,948.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 0.00 | 0.00 | 7,048.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 0.00 | 0.00 | 7,148.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 7,300.00 | 0.00 0.00 | 0.00 | 7,248.70 7,348.70 | -252.04 252.04 | 434.35 | 502.18 502.18 | 0.00 0.00 | 0.00 | 0.00 0.00 |
| 7,400.00 7,500.00 | 0.00 | 0.00 | 7,348.70 7,448.70 | -252.04 252.04 | 434.35 434.35 | 502.18 502.18 | | 0.00 | 0.00 |
| 7,600.00 | 0.00 | 0.00 0.00 | 7,446.70 7,548.70 | -252.04 -252.04 | 434.35 | 502.16 502.18 | 0.00 0.00 | 0.00 0.00 | 0.00 |
| 7,700.00 | 0.00 | 0.00 | 7,648.70 | -252.04 -252.04 | 434.35 | 502.16 502.18 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 7,800.00 | 0.00 | 0.00 | 7,748.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 0.00 | 0.00 | 7,848.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 0.00 | 0.00 | 7,948.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 0.00 | 0.00 | 8,048.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 0.00 | 0.00 | 8,148.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 0.00 | 0.00 | 8,248.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 0.00 | 0.00 | 8,348.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 0.00 | 0.00 | 8,448.70 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| 8,522.30 | 0.00 | 0.00 | 8,471.00 | -252.04 | 434.35 | 502.18 | 0.00 | 0.00 | 0.00 |
| -, | | | -, | | | | | | |



SDI Planning Report



Database: Company: EDM5000-RobertS-Local

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: NBU 1022-1I PAD

Wellbore:

NBU 1022-1I4CS ОН

Local Co-ordinate Reference:

Survey Calculation Method:

TVD Reference:

MD Reference:

North Reference:

Well NBU 1022-114CS

GL 5105 & KB 4

@ 5109.00ft (ASSUMED)

GL 5105 & KB 4

@ 5109.00ft (ASSUMED)

Minimum Curvature

Planned Survey

Design: PLAN #1 PRELIMINARY

(ft)

Measured Depth Inclination

Azimuth (°) (°)

Vertical Depth (ft)

+N/-S (ft)

+E/-W (ft)

Vertical Section (ft)

Dogleg Rate (°/100ft)

Build Rate (°/100ft)

Turn Rate (°/100ft)

Design Targets Target Name

- Shape

- hit/miss target Dip Angle (°)

Dip Dir. (°) 0.00

TVD (ft) 0.00 8,471.00 +N/-S (ft) -252.04

(ft) 434.35

+E/-W

Name

(usft) 14,521,074.30

Northing

(usft) 2,094,317.57

Easting

Latitude 39° 58' 30.097 N

Longitude 109° 22' 47.608 W

plan hits target centerCircle (radius 25.00)

Casing Points

PBHL_NBU 1022-114CS

Measured Vertical Depth Depth (ft) (ft)

2,224.38 2,186.00 8 5/8"

Casing Diameter (in)

8.625

Hole Diameter (in)

Dip

Direction

(°)

11.000

Formations

Measured Vertical Depth Depth (ft) (ft)

Dip Name Lithology (°)

1,117.89 1,108.00 **GREEN RIVER** 4,187.30 4,136.00 WASASTCH 6,349.30 6,298.00 MESAVERDE

| Measured | Vertical | Local Coor | dinates | |
|----------|----------|------------|---------|----------------------------------|
| Depth | Depth | +N/-S | +E/-W | |
| (ft) | (ft) | (ft) | (ft) | Comment |
| 300.00 | 300.00 | 0.00 | 0.00 | Start Build 2.00 |
| 951.52 | 945.92 | -37.02 | 63.80 | Start 1526.19 hold at 951.52 MD |
| 2,477.71 | 2,432.81 | -209.72 | 361.43 | Start Drop -1.75 |
| 3,222.30 | 3,171.00 | -252.04 | 434.35 | Start 5300.00 hold at 3222.30 MD |
| 8,522.30 | 8,471.00 | -252.04 | 434.35 | TD at 8522.30 |

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NBU 1022-11 Pad Surface Use Plan of Operations 1 of 14

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 1022-11 Pad

| <u>API #</u> | NBU 1022-1H4CS | | | | |
|------------------------|----------------------------------|------|-----|--|--|
| Surface | e: 1824 FSL / 947 FEL | NESE | Lot | | |
| ВН | IL: 2410 FNL / 492 FEL | SENE | Lot | | |
| | | | | | |
| <u>API #</u> | NBU 1022-1I1BS | | | | |
| Surface | e: 1826 FSL / 937 FEL | NESE | Lot | | |
| ВН | IL: 2576 FSL / 492 FEL | NESE | Lot | | |
| | | | | | |
| <u>API #</u> | NBU 1022-1I1CS | | | | |
| Surface | e: 1830 FSL / 918 FEL | NESE | Lot | | |
| ВН | IL: 2243 FSL / 492 FEL | NESE | Lot | | |
| | | | | | |
| <u>API #4304739298</u> | NBU 1022-114BS (fka NBU 630-01E) | | | | |
| Surface | e: 1832 FSL / 908 FEL | NESE | Lot | | |
| ВН | IL: 1914 FSL / 530 FEL | NESE | Lot | | |
| | | | | | |
| <u>API #</u> | NBU 1022-1I4CS | | | | |
| Surface | e: 1828 FSL / 928 FEL | NESE | Lot | | |
| ВН | IL: 1579 FSL / 492 FEL | NESE | Lot | | |

An Application for Permit to Drill (APD) was approved by the BLM on October 24, 2008 for the NBU 630-01E well location A Sundry Notice under separate cover will be submitted to change the location and the well name to the NBU 1022-1I4BS.

This Surface Use Plan of Operations (SUPO) or 13-point plan provides site-specific information for the above-referenced wells.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

A. Existing Roads:

Existing roads consist of county and improved/unimproved access roads (two-tracks). In accordance with Onshore Order #1, Kerr-McGee will, in accordance with BMPs, improve or maintain existing roads in a condition that is the same as or better than before operations began. New or reconstructed proposed access roads are discussed in Section B.

The existing roads will be maintained in a safe and usable condition. Maintenance for existing roads will continue until final abandonment and reclamation of well pads and/or other facilities, as applicable. Road maintenance will include, but is not limited to, blading, ditching, and/or culvert installation and cleanout. To ensure safe operating conditions, gravel surfacing will be performed where excessive rutting or erosion may occur. Dust control will be performed as necessary to ensure safe operating conditions.

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Roads, gathering lines and electrical distribution lines will occupy common disturbance corridors where possible. Where available, roadways will be used as the staging area and working space for installation of gathering lines. All disturbances located in the same corridor will overlap each other to the maximum extent possible, while maintaining safe and sound construction and installation practices. Unless otherwise approved or requested in site specific documents, in no case will the maximum disturbance widths of the access road and utility corridors exceed the widths specified in Part D of this document.

Please refer to Topo B, for existing roads.

B. New or Reconstructed Access Roads:

All new or reconstructed roads will be located, designed, and maintained to meet the standards of the BLM. BMPs. Described in the BLM's Surface Operating Standards for Oil and Gas Exploration and Development, 4th Edition (Gold Book) (USDI and USDA, 2007) and/or BLM Manual Section 9113 (1985) will be considered in consultation with the BLM in the design, construction, improvement and maintenance of all new or reconstructed roads. If a new road would cross a water of the United States, Kerr-McGee will adhere to the requirements of applicable Nationwide Permits of the Department of Army Corps of Engineers.

Each new well pad or pad expansion may require construction of a new access road and/or de-commissioning of an older road. Plans, routes, and distances for new roads and road improvements are provided in design packages, exhibits and maps for a project. Project-specific maps are submitted to depict the locations of existing, proposed, and/or decommissioned and include the locations for supporting structures, including, but not limited to, culverts, bridges, low water crossings, range infrastructure, and haul routes, as per OSO 1. Designs for cuts and fills, including spoils source and storage areas, are provided with the road designs, as necessary.

Where safety objectives can be met. As applicable, Kerr-McGee may use unimproved and/or two-track roads for lease operations, to lessen total disturbance.

Road designs will be based on the road safety requirements, traffic characteristics, environmental conditions, and the vehicles the road is intended to carry. Generally, newly constructed unpaved lease roads will be crowned and ditched with the running surfaces of the roads approximately 12-18 feet wide and a total road corridor width not to exceed 45 feet, except where noted in the road design for a specific project. Maximum grade will generally not exceed 8%. Borrow ditches will be back sloped 3:1 or less. Construction BMPs will be employed to control onsite and offsite erosion.

Where topography would direct storm water runoff to an access road or well pad, drainage ditches or other common drainage control facilities, such as V- or wing-ditches, will be constructed to divert surface water runoff. Drainage features, including culverts, will be constructed or installed prior to commencing other operations, including drilling or facilities placement. Riprap will be placed at the inlet and outlet at the culvert(s), as necessary.

Prior to construction, new access road(s) will be staked according to the requirements of OSO 1. Construction activity will not be conducted using frozen or saturated materials or during periods when significant watershed damage (e.g. rutting, extensive sheet soil erosion, formation of rills/gullies, etc.) is likely to occur. Vegetative debris will not be placed in or under fill embankments.

New road maintenance will include, but is not limited to, blading, ditching, culvert installation and cleanout, gravel surfacing where excessive rutting or erosion may occur and dust control, as necessary to ensure safe operating

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conditions. All vehicular traffic, personnel movement, construction/restoration operations will be confined to the approved area and to existing roadways and/or access routes.

Snow removal will be conducted on an as-needed basis to accommodate safe travel. Snow removal will occur as necessary throughout the year, as will necessary drainage ditch construction. Removed snow may be stored on permitted well pads to reduce hauling distances and/or at the aerial extent of approved disturbance boundaries to facilitate snow removal for the remainder of the season.

If a county road crossing or encroachment permit is needed, it will be obtained prior to construction.

The following segments are "on-lease"

 $\pm 1,075'$ (0.2 miles) – Section 1 T10S R22E (SE/4) – On-lease UTU011336, new access road from the edge of the pad to the existing road. This road will be used concurrently with the NBU 1022-1P Pad. Please refer to Topo B.

C. Location of Existing Wells:

Division of Oil, Gas and Mining (UDOGM) records show no drilled locations on this pad and was verified on October 6, 2011. Gathering (pipeline) infrastructure will be utilized to collect and transport gas and fluids from the wells which are owned and operated by Kerr McGee Oil and Gas Onshore LP (Kerr-McGee).

Should the well(s) prove productive, production facilities will be installed on the disturbed portion of each well pad. A berm will be constructed completely around production components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will generally be constructed of compacted subsoil or corrugated metal, and will hold the capacity of the largest tank and have sufficient freeboard to accomodate a 25 year rainfall event. This includes pumping units. Aboveground structures constructed or installed onsite for 6 months or longer, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with the BLM (typically Shadow Gray). A production facility layout is provided as part of a project-specific APD, ROW or NOS submission.

GAS GATHERING

Please refer to Exhibit A and Topo D- Pad and Pipeline Detail.

The gas gathering pipeline material: Steel line pipe. Surface = Bare pipe. Buried = Coated with fusion bonded epoxy coating (or equivalent).

Kerr-McGee proposes to install gas gathering lines to tie into a previously approved buried gas pipeline covered under ROW UTU-88692. The total of this proposed gas gathering from the meter to the approved 16" gas pipeline is $\pm 1,550$ ' and the individual segments are broken up as follows:

The following segments are "onlease", no ROW needed.

±410' (0.1 miles) – Section 1 T10S R22E (NE/4 SE/4) – On-lease UTU011336, BLM surface, New 6" buried gas gathering pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

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- ±95' (0.02 miles) Section 1 T10S R22E (NE/4 SE/4) On-lease UTU011336, BLM surface, New 6" buried gas gathering pipeline from the edge of the pad to the proposed 8" buried pipeline at the NBU 1022-1P Pad intersection. Please refer to Exhibit A, Line 10.
- ±1,045' (0.2 miles) Section 1 T10S R22E (SE/4) On-lease UTU011336, BLM surface, New 8" buried gas gathering pipeline from the NBU 1022-1P Pad intersection to the tie-in at the previously approved 16" gas gathering pipeline. Please refer to Exhibit A, Line 8. This pipeline will be used concurrently with the NBU 1022-1P Pad.

Kerr-McGee proposes to install liquid gathering lines to tie into a previously approved buried liquid pipeline covered under ROW UTU-88691. The total of this proposed liquid gathering from the separator to the approved liquid pipeline is $\pm 1,550$ ' and the individual segments are broken up as follows:

The following segments are "onlease", no ROW needed.

- ±410' (0.1 miles) Section 1 T10S R22E (NE/4 SE/4) On-lease UTU011336, BLM surface, New 6' buried liquid gathering pipeline from the separator to the edge of the pad. Please refer to Topo D2 Pad and Pipeline Detail.
- ±95' (0.02 miles) Section 1 T10S R22E (NE/4 SE/4) On-lease UTU011336, BLM surface, New 6" buried liquid gathering pipeline from the edge of the pad to the NBU 1022-1P Pad intersection. Please refer to Exhibit B, Line 10.
- ±1,045' (0.2 miles) Section 1 T10S R22E (SE/4) On-lease UTU011336, BLM surface, New 6" buried liquid gathering pipeline from the NBU 1022-1P Pad intersection to the tie-in at the previously approved liquid gathering pipeline. Please refer to Exhibit B, Line 8. This pipeline will be used concurrently with the NBU 1022-1P Pad.

Pipeline Gathering Construction

Gathering (pipeline) infrastructure will be utilized to collect and transport gas and fluids from the wells which are owned and operated by Kerr McGee. Gas gathering pipeline(s,) gas lift, or liquids pipelines may be constructed to lie on the surface or be buried. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. The area of disturbance during construction from the edge of road or well pad will typically be 30' in width. Where pipelines run cross country, the width of disturbance will typically be 45 ft for buried lines and 30 ft for surface lines. In addition, Kerr-McGee requests for a permanent 30' distrubance width that will be maintained for the portion adjacent to the road. The need for the 30' permanent distrubance width is for maintenance and repairs. Cross country permanent distrubance width also are required to be 30ft.

Above-ground installation will generally not require clearing of vegetation or blading of the surface, except where safety considerations necessitate earthwork. In some surface pipeline installation instances pipe cannot be constructed where it will lay. In these cases where an above-ground pipeline is constructed parallel and adjacent to a road, it will be welded/fused on the road and then lifted from the road to the pipeline route. In other cases where a pipeline route is not parallel and adjacent to a road (cross-country between sites), it will be welded/fused in place at a well pad, access road, or designated work area and pulled between connection locations with a suitable piece of equipment.

Buried pipelines will generally be installed parallel and adjacent to existing and/or newly constructed roads and within the permitted disturbance corridor. Buried pipelines may vary from 2 inches (typically fuel gas lines) to 24 inches (typically transportation lines) in diameter, but 6 to 16 inches is typical for a buried gas line. The diameter of liquids pipelines may vary from 2 inches to 12 inches, but 6 inches is the typical diameter. Gas lift lines may vary from 2 to 12 inches in diameter, but 6-inch diameter pipes are generally used for gas lift. If two or more pipelines are present (gas gathering, gas lift, and fluids), they will share a common trench where possible.

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Typically, to install a buried pipeline, topsoil will be removed, windrowed and placed on the non-working side of the route for later reclamation. Because working room is limited, the spoil may be spread out across the working side and construction will take place on the spoil. The working side of the corridor will be used for pipe stringing, bending, welding and equipment travel. Small areas on the working side displaying ruts or uneven ground will be groomed to facilitate the safe passage of equipment. After the pipelines are installed, spoil will be placed back into the trench, and the topsoil will be redistributed over the disturbed corridor prior to final reclamation. Typical depth of the trench will be 6 feet, but depths may vary according to site-specific conditions (presence of bedrock, etc.). The proposed trench width for the pipeline would range from 18-48 inches.

The pipeline will be welded along the proposed route and lowered into place. Trenching equipment will cut through the soil or into the bedrock and create good backfill, eliminating the need to remove large rocks. The proposed buried pipeline will be visually and radiographically inspected and the entire pipeline will be pneumatically or hydrostatically tested before being placed into service. Routine vehicle traffic will be prevented from using pipeline routes as travel ways by posting signs at the route's intersection with an access road.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

If pipelines or roads encounter a drainage that could be subject to flooding or surface water during extreme precipitation events, Kerr-McGee will apply all applicable Army Corps mandates as well as the BLM's Hydraulic Considerations for Pipeline Crossings of Stream Channels (BLM Technical Note 423, April 2007). In addition, all stream and drainage

crossings will be evaluated to determine the need for stream alteration permits from the State of Utah Division of Water Rights and if necessary, required permits will be secured. Similarly, where a road or pipeline crossing exists the pipe will be butt welded and buried to a depth between 24 and 48 inches or more. Dirt roads will be cut and restored to a condition equivalent to the existing condition. All Uintah County road encroachment and crossing permits, where applicable, will be obtained prior to crossing construction. In no case will pressure testing of pipelines result in discharge of liquids to the surface. Pipeline signs will be installed along the route to indicate the pipeline proximity, ownership, and to provide emergency contact phone numbers. Above ground valves and lateral T's will be installed at various locations for production integrity and safety purposes.

Upon completion of the proposed buried pipeline, the entire area of disturbance will be reclaimed to the standards proposed in the Green River District Reclamation Guidelines. Please refer to section J for more details regarding final reclamation.

When no longer deemed necessary by the operator, Kerr-McGee or it's successor will consult with the BLM, Vernal Field Office before terminating of the use of the pipeline(s).

The Anadarko Completions Transportation System (ACTS) information:

Please refer to Exhibit C for ACTs Lines

Kerr-McGee will use either a closed loop drilling system that will require one pit and one storage area to be constructed on the drilling pad or a traditional drilling operation with one pit. The storage area will be used to contain only the de-watered drill cuttings and will be lined and reclaimed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit is lined and will be used for the wells drilled on the pad or used as part of our Anadarko Completions Transportation (ACTS) system which is disussed in more detail below. Using the

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closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completion pit.

If Kerr-McGee does not use a closed loop system, it will construct a drilling reserve pit to contain drill cuttings and for use in completion operations. Depending on the location of the pit, its relation to future drilling locations, the reserve/completion pit will be utilized for the completion of the wells on that pad and/or be used as part of our ACTS system.

Kerr-McGee will use ACTS to optimize the completion processes for multiple pads across the project area which may include up to a section of development. ACTS will facilitate management of frac fluids by utilizing existing reserve pits and temporary, surface-laid aluminum liquids transfer lines between frac locations. The pit will be refurbished as follows when a traditional drill pit is used: mix and pile up drill cuttings with dry dirt, bury the original liner in the pit, walk bottom of pit with cat. Kerr-McGee will reline the pit with a 30 mil liner and double felt padding. The refurbished pit will be the same size or smaller as specified in the originally approved ROW/APD. The pit refurb will be done in a normal procedure procedure and there will be no modification to the pit.

All four sides of the completions pit will be fenced in according to standard pit fencing procedures. Netting will be installed over all pits.

The collected hydrocarbons will be treated and sold at approved sales facilities. A loading rack with drip containment will also be installed where water trucks would unload and load to prevent damage caused from pulling hoses in and out of the pit .

ACTS will require temporarily laying multiple 6" aluminum water transfer lines on the surface between either existing or refurbished reserve pits. Please see the attached ACTS exhibit C for placement of the proposed temporary lines. The temporary aluminum transfer lines will be utilized to transport frac fluid being injected and/or recovered during the completion process and will be laid adjacent to existing access roads or pipeline corridors. Upon completion of the frac operation, the liquids transfer lines will be flushed with fresh water and purged with compressed air. The contents of the transfer lines will be flushed into a water truck for delivery to another ACTS location or a reserve pit.

The volume of frac fluid transported through a water transfer line will vary, but volume is projected to be approximately 1.75 bbls per 50-foot joint. Although the maximum working pressure is 125 psig, the liquids transfer lines will be operated at a pressure of approximately 30 to 40 psig. Kerr-McGee requests to keep the netted pit open for one year from first production of the first produced well on the pad. During this time the surrounding well location completion fluids may be recycled in this pit and utilized for other frac jobs in the area. After one year Kerr-McGee will backfill the pit and reclaim. If the pit is not needed for an entire year it will be backfilled and reclaimed earlier. Kerr-McGee understands that due to the temporary nature of this system, BLM considers this a casual use situation; therefore, no permanent ROW or temporary use plan will need to be issued by the BLM.

E. Location and Types of Water Supply:

Water for drilling and completion operations will be obtained from the following sources:

| Permit # 49-2307 | JD Field Services | Green River- Section 15, T2N, R22E |
|------------------|-------------------|------------------------------------|
| Permit # 49-2321 | R.N. Industries | White River- Section 2, T10S, R24E |
| Permit # 49-2319 | R.N. Industries | White River- Various Sources |
| Permit # 49-2320 | R.N. Industries | Green River- Section 33, T8S, R23E |

Water will be hauled to location over the roads marked on Maps A and B.

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No water well is to be drilled on this lease.

F. Construction Materials:

Construction operations will typically be completed with native materials found on location. Construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source (described in site-specific documents). No construction materials will be removed from federal lands without prior approval from the BLM. A source location other than an on-location construction site will be designated either via a map or narrative within the project specific materials provided to the BLM.

G. Methods for Handling Waste:

All wastes subject to regulation will be handled in compliance with applicable laws to minimize the potential for leaks or spills to the environment. Kerr-McGee also maintains a Spill Control and Countermeasure Plan, which includes notification requirements, including the BLM, for all reportable spills of oil, produced liquids, and hazardous materials.

Any accidental release, such as a leak or spill in excess of the reportable quantity, as established by 40 CFR Part 117.3, will be reported as per the requirements of CERCLA, Section 102 B. If a release involves petroleum hydrocarbons or produced liquids, Kerr-McGee will comply with the notification requirements of NTL-3A. Drill cuttings and/or drilling fluids will be contained in the reserve/frac pit whether a closed loop system is used or not. Cuttings will be buried in pit(s) upon closure. Unless specifically approved by the BLM, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

Pits will be constructed to minimize the accumulation of surface precipitation runoff into the pit (via appropriate placement of subsoil storage areas and/or construction of berms, ditches, etc). Should unexpected liquid petroleum hydrocarbons (crude oil or condensate) be encountered during drilling, completions or well testing, liquid petroleum hydrocarbons will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by the BLM. Should timely removal not be feasible, the pit will be netted as soon as practical. Similarly, hydrocarbon removal will take place prior to the closure of the pit, unless authorization is provided for disposal via alternate pit closure methods (e.g. solidification).

The reserve and/or fracture stimulation pit will be lined with an impermeable liner. The liner will be a synthetic material 30 mil or thicker. The bottom and side walls of the pit will be void of any sharp rocks that could puncture the liner. The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, bentonite, straw, etc.) that could damage the liner. After evaporation and when dry, the reserve pit liners will be cut off, ripped and/or folded back (as safety considerations allow) as near to the mud surface as possible and buried on location or hauled to a landfill prior to backfilling the pit with a minimum of five feet of soil material.

Where necessary and if conditions (freeboard, etc.) allow, produced liquids from newly completed wells may be temporarily disposed of into pits for a period not to exceed 90 days as per Onshore Order Number 7 (OSO 7). Subsequently, permanent approved produced water disposal methods will be employed in accordance with OSO 7 and/or as described in a Water Management Plan (WMP). Otherwise, fluids disposal locations and associated haul routes, for ROW consideration, are typically depicted on Topo A of individual projects. Revisions to the water source or method of transportation will be subject to written approval from the BLM.

10/10/2011

NBU 1022-1H4CS / 1022-1I1BS / 1022-1I1CS 1022-1I4BS / 1022-1I4CS

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Any additional pits necessary for subsequent operations, such as temporary flare or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of work at a well location.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after one year from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse (trash and other solid waste including cans, paper, cable, etc.) generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility. Immediately after removal of the drilling rig, all debris and other waste materials not contained within trash receptacles will be collected and removed from the well location.

For the protection of livestock and wildlife, all open pits (excluding flare pits) will be fenced to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet. Siphons, catchments, and absorbent pads will be installed to keep hydrocarbons produced by the drilling rig or other equipment on location from entering the reserve pit. Hydrocarbons, contaminated pads, and/or soils will be disposed of in accordance with state and federal requirements.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

Materials Management

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Hazardous materials may be contained in some grease or lubricants, solvents, acids, paint, and herbicides, among others as defined above. Kerr-McGee maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances that are used during the course of construction, drilling, completion, and production operations for this project. The transport, use, storage and handling of hazardous materials will follow procedures specified by federal and state regulations. Transportation of hazardous materials to the well location is regulated by the Department of Transportation (DOT) under 49 CFR, Parts 171-180. DOT regulations pertain to the packing, container handling, labeling, vehicle placarding, and other safety aspects.

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Potentially hazardous materials used in the development or operation of wells will be kept in limited quantities on well sites and at the production facilities for short periods of time. Chemicals meeting the criteria for being an acutely hazardous material/substance or meet the quantities criteria per BLM Instruction Memorandum No. 93-344 will not be used.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities (crude oil/condensate, produced water). They may also be kept in limited quantities on drilling sites (barite, diesel fuel, cement, cottonseed hulls etc.) for short periods of time during drilling or completion activities.

Fluids disposal and pipeline/haul routes are depicted on Topo Map A.

Any produced water separated from recoverable condensate from the proposed well will be contained in a water tank and will then be transported by pipeline and/or truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E NBU #159 in Sec. 35 T9S R21E Ace Oilfield in Sec. 2 T6S R20E MC&MC in Sec. 12 T6S R19E Pipeline Facility in Sec. 36 T9S R20E Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E Bonanza Evaporation Pond in Sec. 2 T10S R23E

Or to one of the following Kerr-McGee active Salt Water Disposal (SWD) wells:

NBU 159 SWD in Sec. 35 T9S R21E CIGE 112D SWD in Sec. 19 T9S R21E CIGE 114 SWD in Sec. 34 T9S R21E NBU 921-34K SWD in Sec. 34 T9S R21E NBU 921-33F SWD in Sec. 34 T9S R21E

H. Ancillary Facilities:

No additional ancillary facilities are planned for this location.

I. Well Site Layout:

The location, orientation and aerial extent of each drill pad, reserve/completion/flare pit (for closed loop or non-closed loop operations), access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure, proposed cuts and fills, and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment depending on whether a closed loop system is used. Surface distance may be less if using closed loop. But in either case, the area of distrubance will not exceed the maximum disturbance outlined in the attached exhibits.

For the protection of livestock and wildlife, all open pits and cellars will be fenced to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

10/10/2011

RECEIVED: February 02, 2012

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Each well will utilize either a centralized tank battery, centralized fluids management system, or have tanks installed on its pad. Production/ Produced Liquid tanks will be constructed, maintained, and operated to prevent unauthorized surface or subsurface discharges of liquids and to prevent livestock or wildlife entry. The tanks will be kept reasonably free from surface accumulations of liquid hydrocarbons. The tanks are not to be used for disposal of liquids from additional sources without prior approval of BLM.

J. Plans for Surface Reclamation:

The surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. Interim reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

Interim Reclamation

Interim reclamation may include pit evaporation, fluid removal, pit solidification, re-contouring, ripping, spreading top soil, seeding, and/or weed control. Interim reclamation will be performed in accordance with OSO 1, or written notification will be provided to the BLM for approval. Where feasible, drilling locations, reserve pits, or access routes not utilized for production operations will be re-contoured to a natural appearance.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit. Disposal of pit fluids and linings is discussed in Section G.

Final Reclamation

Final reclamation will be performed for unproductive wells and after the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by Kerr-McGee. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. The BLM will be notified prior to commencement of reclamation operations. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

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NBU 1022-11 Pad Surface Use Plan of Operations 11 of 14

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring the site to the approximate contour that existed prior to pad construction, final grading will be conducted over the entire surface of the well site and access road. The area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers, where practical. The surface soil material will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep, where practical. The entire area will be uniformly covered with the depressions constructed perpendicular to the natural flow of water.

Reclamation of roads will be performed at the discretion of the BLM. All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded in accordance with the seeding specifications of the BLM.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to the BLM.

Measures Common to Interim and Final Reclamation

Soil preparation will be conducted using a disk for areas in need of more soil preparation following site preparation. This will provide primary soil tillage to a depth no greater than 6 inches. Prior to reseeding, compacted areas will be scarified by ripping or chiseling to loosen compacted soils, promote water infiltration, and improve soil aeration and root penetration.

Seeding will occur year-round as conditions allow and will typically be accomplished through the use of a no-till rangeland style seed drill with a "picker box" in order to seed "fluffy" seed. Where drill seeding is not the preferred method, seed will be broadcast and then raked into the ground at double the rate of drill seeding. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for

re-vegetation. The seed mixes will be selected from a list provided by or approved by the BLM, or a specific seed mix will be proposed by Kerr-McGee to the BLM and used after its approval. The selected specific seed mix for each well location and road segment will be utilized while performing interim and final reclamation for each project. All seed will be certified and tags will be maintained by Kerr-McGee. Every effort will be made to obtain "cheat grass free seed".

Seed Mix to be used for Well Site, Access Road, and Pipeline (as applicable):

| Shadescale Mix | Pure Live Seed lbs/acre |
|------------------|-------------------------|
| Indian Ricegrass | 3 |
| Sandberg | 0.75 |
| Bottlebrush | 1 |
| Great Basin | 0.5 |
| Crested | 1.5 |
| Winterfat | 0.25 |
| Shadscale | 1.5 |
| Four-wing | 0.75 |
| Forage Kochia | 0.25 |
| Total | 9.5 |

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NBU 1022-11 Pad Surface Use Plan of Operations 12 of 14

Additional soil amendments and/or stabilization may be required on sites with poor soils and/or excessive erosion potential. Where severe erosion can become a problem and/or the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. Slopes will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to: erosion control blankets, hydro-mulch, and/or bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage. Soil amendments such as "Sustain" (an organic fertilizer that will be applied at the rate 1,800 – 2,100 lbs/acre with seed) may also be dry broadcast or applied with hydro-seeding equipment.

Weed Control

All weed management will be done in accordance with the Vernal BLM Surface Disturbance Weed Policy. Noxious weeds will be controlled, as applicable, on project areas. Monitoring and management of noxious and/or invasive weeds of concern will be completed annually until the project is deemed successfully reclaimed by the surface management agency and/or owner according to the Anadarko Integrated Weed Management Plan. Noxious weed infestations will be mapped using a GPS unit and submitted to the BLM with information required in the Vernal BLM Surface Disturbance Weed Policy. If herbicide is to be applied it will be done according to an approved Pesticide Use Permit (PUP), inclusive of applicable locations. All pesticide applications will be recorded using a Pesticide Application Record (PAR) and will be submitted along with a Pesticide Use Report (PUR) annually prior to Dec. 31.

Monitoring

Monitoring of reclaimed project areas will be completed annually during the growing season and actions to ensure reclamation success will be taken as needed. During the first two growing seasons an ocular methodology will be used to determine the success of the reclamation activities. During the 3rd growing season a 200 point line intercept (quantitative) methodology will be used to obtain basal cover. The goal is to have the reclaimed area reach 30% basal cover when compared to the reference site. If after three growing seasons the area has not reached 30% basal cover, additional reclamation activities may be necessary. Monitoring will continue until the reclaimed area reaches 75% basal cover of desirable vegetation when compared to the reference site. (Green River District Reclamation Guidelines)

All monitoring reports will be submitted electronically to the Vernal BLM in the form of a geo-database no later than March 1st of the calendar year following the data collection.

K. Surface/Mineral Ownership:

United States of America Bureau of Land Management 170 South 500 East Vernal, UT 84078 (435)781-4400

L. Other Information:

Cultural and Paleontological Resources

All personnel are strictly prohibited from collecting artifacts, any paleontological specimens or fossils, and from disturbing any significant cultural resources in the area. If artifacts, fossils, or any culturally sensitive materials are exposed or identified in the area of construction, all construction operations that would affect the newly discovered resource will cease, and Kerr-McGee will provide immediate notification to the BLM.

10/10/2011

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Resource Reports:

A Class I literature survey was completed in May 2011 by Montgomery Archaeological Consultants, Inc (MOAC). For additional details please refer to report MOAC 11-145.

A paleontological reconnaissance survey was completed in June, 2010 and July, 2011 by SWCA Environmental Consultants. additional details please refer to reports UT11-14314-27, UT11-14314-32 and UT11-14314-33.

Biological field survey was completed in May and June of 2011 by Grasslands Consulting, Inc (GCI). For additional details please refer to reports GCI-514 and GCI 559.

Proposed Action Annual Emissions Tables:

| Table 1: Proposed Action Annual Emissions (tons/year) ¹ | | | | | | | | | |
|--|-------------|------------|----------|--|--|--|--|--|--|
| Pollutant | Development | Production | Total | | | | | | |
| NOx | 3.8 | 0.12 | 3.92 | | | | | | |
| CO | 2.2 | 0.11 | 2.31 | | | | | | |
| VOC | 0.1 | 4.9 | 5 | | | | | | |
| SO_2 | 0.005 | 0.0043 | 0.0093 | | | | | | |
| PM_{10} | 1.7 | 0.11 | 1.81 | | | | | | |
| PM _{2.5} | 0.4 | 0.025 | 0.425 | | | | | | |
| Benzene | 2.2E-03 | 0.044 | 0.046 | | | | | | |
| Toluene | 1.6E-03 | 0.103 | 0.105 | | | | | | |
| Ethylbenzene | 3.4E-04 | 0.005 | 0.005 | | | | | | |
| Xylene | 1.1E-03 | 0.076 | 0.077 | | | | | | |
| n-Hexane | 1.7E-04 | 0.145 | 0.145 | | | | | | |
| Formaldehyde | 1.3E-02 | 8.64E-05 | 1.31E-02 | | | | | | |

¹ Emissions include 1 producing well and associated operations traffic during the year in which the project is developed

| Table 2: | Table 2: Proposed Action versus 2012 WRAP Phase III Emissions Inventory Comparison | | | | | | | | | |
|----------|--|---|---------------|--|--|--|--|--|--|--|
| | Proposed Action Production Emissions | WRAP Phase III 2012 Uintah Basin Emission | to WRAP Phase | | | | | | | |
| Species | (ton/yr) | Inventory ^a (ton/yr) | III | | | | | | | |
| NOx | 19.6 | 16,547 | 0.12% | | | | | | | |
| VOC | 25 | 127,495 | 0.02% | | | | | | | |

 $[^]a\ http://www.wrapair.org/forums/ogwg/Phase III_Inventory.html$

Uintah Basin Data

NBU 1022-1H4CS / 1022-1I1BS / 1022-1I1CS 1022-1I4BS / 1022-1I4CS NBU 1022-1I Pad Surface Use Plan of Operations 14 of 14

M. Lessee's or Operators' Representative & Certification:

Gina T. Becker Regulatory Analyst II Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6086 Tommy Thompson General Manager, Drilling Kerr-McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 (720) 929-6724

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Cina T Poster

October 10, 2011

Date



Joseph D. Johnson 1099 18TH STREET STE. 1800 • DENVER, CO 80202 720-929-6708 • FAX 720-929-7708 E-MAIL: JOE.JOHNSON@ANADARKO.COM

September 28, 2011

Ms. Diana Mason Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11

NBU 1022-114CS

T10S-R22E

Section 1: NESE/NESE Surface: 1828' FSL, 928' FEL Bottom Hole: 1579' FSL, 492' FEL

Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- Kerr-McGee's NBU 1022-114CS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

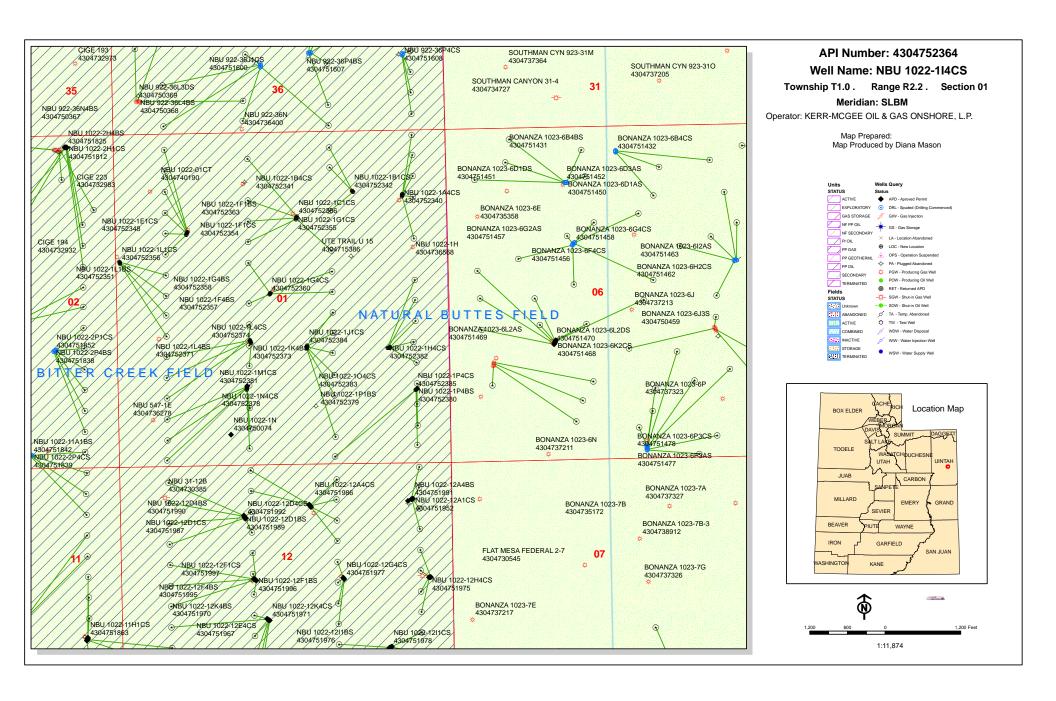
Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Joseph D. Johnson Landman

RECEIVED: February 02, 2012



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

February 10, 2012

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2011 Plan of Development Natural Buttes Unit

Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2011 within the Natural Buttes Unit, Uintah County, Utah.

API # WELL NAME LOCATION

(Proposed PZ WASATCH-MESA VERDE)

WELL PAD - NBU 1022-25D

43-047-52295 NBU 1022-25C2DS Sec 25 T10S R22E 0653 FNL 0339 FWL BHL Sec 25 T10S R22E 0488 FNL 1933 FWL Sec 25 T10S R22E 0730 FNL 0314 FWL 43-047-52296 NBU 1022-25C3DS BHL Sec 25 T10S R22E 1147 FNL 1931 FWL 43-047-52297 NBU 1022-25C3AS Sec 25 T10S R22E 0732 FNL 0324 FWL BHL Sec 25 T10S R22E 0820 FNL 1938 FWL 43-047-52298 NBU 1022-25D2DS Sec 25 T10S R22E 0650 FNL 0319 FWL (BH) BHL Sec 25 T10S R22E 0485 FNL 0630 FWL 43-047-52299 NBU 1022-25F2AS Sec 25 T10S R22E 0652 FNL 0329 FWL BHL Sec 25 T10S R22E 1482 FNL 1955 FWL 43-047-52300 NBU 1022-25D3DS Sec 25 T10S R22E 0727 FNL 0295 FWL BHL Sec 25 T10S R22E 1152 FNL 0630 FWL 43-047-52301 NBU 1022-25D3AS Sec 25 T10S R22E 0729 FNL 0305 FWL BHL Sec 25 T10S R22E 0822 FNL 0631 FWL 43-047-52302 NBU 1022-25E2AS Sec 25 T10S R22E 0648 FNL 0309 FWL BHL Sec 25 T10S R22E 1479 FNL 0631 FWL WELL PAD - NBU 1022-1A 43-047-52335 NBU 1022-1A1BS Sec 01 T10S R22E 1030 FNL 0663 FEL BHL Sec 01 T10S R22E 0099 FNL 0498 FEL

| API # | WE | LL NAME | | | LO | CATIO | N | | |
|----------------------------|-------|-------------------|----|-----|--------|---------|------|--------------|--|
| (Proposed PZ | WASA | ATCH-MESA VERD | E) | | | | | | |
| 43-047-52336 | NBU | 1022-1A1CS BHL | | | | | | | |
| 43-047-52337 | NBU | 1022-1A4BS BHL | | | | | | | |
| 43-047-52338 | NBU | 1022-1H1CS BHL | | | | | | | |
| | | 1022-1A4CS BHL | | | | | | | |
| WELL PAD - N | BU 10 | 022-1B | | | | | | | |
| 43-047-52339 | NBU | 1022-1B1BS BHL | | | | | | 1453 1811 | |
| 43-047-52341 | NBU | 1022-1B4CS BHL | | | | | | 1447 1825 | |
| | | 1022-1B1CS BHL | | | | | | | |
| WELL PAD - N | BU 10 | 022-1E1 | | | | | | | |
| 43-047-52343 | NBU | 1022-1D1BS BHL | | | | | | 1172 0820 | |
| 43-047-52344 | NBU | 1022-1D1CS BHL | | | | | | 1168 0820 | |
| 43-047-52345 | NBU | 1022-1D4BS BHL | | | | | | 1164 0822 | |
| 43-047-52346 | NBU | 1022-1D4CS BHL | | | | | | 1160 0822 | |
| 43-047-52347 | NBU | 1022-1E1BS BHL | | | | | | 1156 0821 | |
| | | | | | | | | 1152 0821 | |
| WELL PAD - N | | | | | | | | | |
| 43-047-52349 | NBU | 1022-1E4BS BHL | | | | | | 0086 0821 | |
| 43-047-52350 | NBU | 1022-1E4CS BHL | | | | | | 0088 0821 | |
| 43-047-52351 | NBU | 1022-1L1BS BHL | | | | | | 0091 0820 | |
| 43-047-52356 WELL PAD - N | | | | | | | | 0094 0820 | |
| | | | ~ | 0.5 | m1.5 - | D C C = | 0500 | 0 1 6 5 | |
| 43-047-52352 | NBU | 1022-1K1BS BHL | | | | | | 2468 2136 | |

Page 2

| API # | WE: | LL NAME | | | LO | CATIO | N | | | |
|----------------------------|--------|-------------------|-----|-----|--------------|---------|------|-----|------|-------|
| (Proposed PZ | WASA | ATCH-MESA VERD | Ε | | | | | | | |
| 43-047-52357 | NBU | 1022-1F4BS BHL | | | T10S T10S | | | | | |
| 43-047-52358 | NBU | 1022-1G4BS BHL | | | T10S T10S | | | | | |
| 43-047-52360 | NBU | 1022-1G4CS BHL | | | | | | | | |
| WELL PAD - N | BU 10 | 022-1G | | | | | | | | |
| | | 1022-1C4CS | | | T10S T10S | | | | | |
| 43-047-52354 | NBU | 1022-1F1CS BHL | | | T10S T10S | | | | | |
| 43-047-52355 | NBU | 1022-1G1CS BHL | | | T10S T10S | | | | | |
| 43-047-52363 | NBU | 1022-1F1BS BHL | | | T10S T10S | | | | | |
| 43-047-52386 WELL PAD - N | | 1022-1C1CS BHL | | | | | | | | |
| | - | 1022-1J1BS | Coo | 0.1 | m10c | ם מינים | 1007 | ECT | 2226 | TOTOT |
| | | BHL | Sec | 01 | T10S | R22E | 2410 | FSL | 1807 | FEL |
| 43-047-52362 | NBU | 1022-101BS BHL | | | T10S T10S | | | | | |
| 43-047-52366 | NBU | 1022-1J4CS BHL | | | T10S T10S | | | | | |
| 43-047-52367 | NBU | 1022-104BS BHL | | | T10S T10S | | | | | |
| 43-047-52384 | NBU | 1022-1J1CS BHL | | | T10S T10S | | | | | |
| WELL PAD - N | RTT 10 | 122-1K | | | | | | | | |
| | _ | 1022-1M1BS | | | T10S T10S | | | | | |
| 43-047-52365 | NBU | 1022-1K1CS BHL | | | T10S T10S | | | | | |
| 43-047-52370 | NBU | 1022-1K4CS BHL | | | T10S T10S | | | | | |
| 43-047-52371 | NBU | 1022-1L4BS BHL | | | T10S T10S | | | | | |

Page 3

Page 4

| API # | WE | LL NAME | | | LO | CATIO: | N | | | |
|----------------------------|-------|-------------------|-----|----|--------------|--------|------|-----|------|-----|
| (Proposed PZ | WAS | ATCH-MESA VER | | | | | | | | |
| 43-047-52373 | NBU | 1022-1K4BS BH: | | | T10S T10S | | | | | |
| 43-047-52374 | NBU | 1022-1L4CS BH | | | T10S T10S | | | | | |
| WELL PAD - N | BU 10 | 022-1I | | | | | | | | |
| 43-047-52364 | NBU | 1022-114CS BH: | | | T10S T10S | | | | | |
| 43-047-52368 | NBU | 1022-1I1BS BH | | | T10S T10S | | | | | |
| 43-047-52369 | NBU | 1022-1I1CS BH: | | | T10S T10S | | | | | |
| 43-047-52382 WELL PAD - N | | 1022-1H4CS BH: | | | | | | | | |
| | | 1022-1M4CS | | | T10S T10S | | | | | |
| 43-047-52375 | NBU | 1022-1M4BS BH: | | | T10S T10S | | | | | |
| 43-047-52376 | NBU | 1022-1N1CS BH: | | | T10S T10S | | | | | |
| 43-047-52377 | NBU | 1022-1N4BS BH | | | T10S T10S | | | | | |
| 43-047-52378 | NBU | 1022-1N4CS BH: | | | T10S T10S | | | | | |
| 43-047-52381 WELL PAD - N | | | | | T10S T10S | | | | | |
| | | 1022-1P1BS | | | T10S T10S | | | | | |
| 43-047-52380 | NBU | 1022-1P4BS BH | | | T10S T10S | | | | | |
| 43-047-52383 | NBU | 1022-104CS BH: | | | T10S T10S | | | | | |
| 43-047-52385 | NBU | 1022-1P4CS | Sec | 01 | T10S | R22E | 1148 | FSL | 0508 | FEL |

BHL Sec 01 T10S R22E 0270 FSL 0503 FEL

Page 5

The NBU 1022-25D2DS, 43-047-52298, is being permitted to target productive horizons below the unitized zone of the Natural Buttes Unit as defined in Section 3 of said agreement. We recommend not approving commingling of production with these zones and the unitized zones of the Natural Buttes Unit until this matter has been resolved by the BLM's Utah State Office.

This office has no other objection to permitting the wells at this time.

Michael L. Coulthard Management, ou=Branch of Minerals, email=Michael Coulthardelmgov, c=US

Digitally signed by Michael L. Coulthard DN: cn=Michael L. Coulthard, o=Bureau of Land Date: 2012.02.10 08:36:59 -07'00'

bcc: File - Natural Buttes Unit Division of Oil Gas and Mining Central Files Agr. Sec. Chron

Fluid Chron

MCoulthard:mc:2-10-12

WORKSHEET APPLICATION FOR PERMIT TO DRILL

| APD RECEIVED : 2/3/2012 | API NO. ASSIGNED: | 43047523640000 |
|--------------------------------|-------------------|----------------|
| | | |

WELL NAME: NBU 1022-114CS

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) PHONE NUMBER: 720 929-6086

CONTACT: Gina Becker

PROPOSED LOCATION: NESE 01 100S 220E Permit Tech Review:

> **SURFACE: 1828 FSL 0928 FEL Engineering Review:**

> **BOTTOM:** 1579 FSL 0492 FEL Geology Review:

COUNTY: UINTAH

LATITUDE: 39.97573 LONGITUDE: -109.38227 UTM SURF EASTINGS: 638141.00 NORTHINGS: 4426316.00

FIELD NAME: NATURAL BUTTES LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-011336 PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 1 - Federal **COALBED METHANE: NO**

RECEIVED AND/OR REVIEWED: LOCATION AND SITING:

✓ PLAT R649-2-3.

Unit: NATURAL BUTTES Bond: FEDERAL - WYB000291

Potash R649-3-2. General

Oil Shale 190-5

Oil Shale 190-3 R649-3-3. Exception

Drilling Unit Oil Shale 190-13

Board Cause No: Cause 173-14 Water Permit: 43-8496

Effective Date: 12/2/1999 **RDCC Review:**

Siting: Suspends General Siting Fee Surface Agreement

✓ Intent to Commingle R649-3-11. Directional Drill

Commingling Approved

Comments: Presite Completed

Stipulations:

3 - Commingling - ddoucet 4 - Federal Approval - dmason 15 - Directional - dmason 17 - Oil Shale 190-5(b) - dmason

API Well No: 43047523640000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: NBU 1022-114CS
API Well Number: 43047523640000
Lease Number: UTU-011336
Surface Owner: FEDERAL

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

Approval Date: 2/15/2012

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Commingle:

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil

API Well No: 43047523640000

shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
 - Report of Water Encountered (Form 7) due within 30 days after completion
 - Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

SUBMIT AS EMAIL

Print Form

BLM - Vernal Field Office - Notification Form

| | rator KERR-McGEE OIL & GAS Ri | _ | <i>-</i> | |
|---------------------|--|---------------|---------------|--------------------------|
| | mitted By <u>CARA MAHLER</u> Phone | Numbe | er <u>720</u> | .929.6029 |
| | Name/Number <u>NBU 1022-114CS</u> Qtr <u>NESE</u> Section 1 Tow | nchin 1 | 08 B | 2ange 22E |
| • | se Serial Number <u>UTU011336</u> | nomp <u>1</u> | 031 | drige <u>zze</u> |
| | Number <u>4304752364</u> | | | |
| _ | | | C 11 | |
| | <u>d Notice</u> – Spud is the initial spud | aling o | if the we | ii, not arilling |
| out | below a casing string. | | | |
| | Date/Time <u>07/27/2012</u> <u>15:0</u> | <u>0 HRS</u> | AM 🗌 | РМ |
| <u>Casi</u> time | | ın start | ts, not ce | ementing |
| | Surface Casing Intermediate Casing | | | |
| | Production Casing | | | |
| | Liner | | | |
| | Other | | | |
| | Date/Time <u>08/19/2012</u> <u>08:0</u> | 0 HRS | AM 🗌 | РМ |
| BOP | <u>E</u> | | | RECEIVED |
| | Initial BOPE test at surface casi | | | JUL 2 / 2012 |
| | BOPE test at intermediate casin | g point | • | DIV. OF OIL, GAS & MINUS |
| | 30 day BOPE test Other | | | MARIE OF GROUP |
| | Other | | | |
| | Date/Time | | AM 🗌 | PM |
| Rem | arks estimated date and time. Please con- | TACT KENN | Y GATHINGS | AT |
| 435.82 | 8.0986 OR LOVEL YOUNG AT 435.781.7051 | | | |

Sundry Number: 28283 API Well Number: 43047523640000

| | STATE OF UTAH | | FORM 9 | | | | |
|--|--|-------------------------------------|--|--|--|--|--|
| ι | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | ì | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-011336 | | | | |
| SUNDR | Y NOTICES AND REPORTS ON | WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | | |
| current bottom-hole depth, i | Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | | | | | |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: NBU 1022-114CS | | | | |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | 9. API NUMBER: 43047523640000 | | | | | | |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | 9. FIELD and POOL or WILDCAT: 5NIATUERAL BUTTES | | | | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1828 FSL 0928 FEL | | COUNTY: UINTAH | | | | | |
| QTR/QTR, SECTION, TOWNSH | tip, RANGE, MERIDIAN: 1 Township: 10.0S Range: 22.0E Meridian: S | 3 | STATE: UTAH | | | | |
| 11. CHECI | K APPROPRIATE BOXES TO INDICATE NA | ATURE OF NOTICE, REPOR | T, OR OTHER DATA | | | | |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | | | | |
| MIRU TRIPLE A BU RAN 14" 36.7# SC | CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF | CTOR HOLE TO 40'. CEMENT WITH 28 | CASING REPAIR CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL APD EXTENSION OTHER: Pepths, volumes, etc. Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 01, 2012 | | | | |
| NAME (PLEASE PRINT) Jaime Scharnowske | PHONE NUMBER 720 929-6304 | TITLE Regulartory Analyst | | | | | |
| SIGNATURE N/A | 720 929-6304 | DATE 8/1/2012 | | | | | |

| | | | f | |
|--|---|--|---|--|
| Form 3160-3 (August 2007) UL | | | OMB No | PPROVED . 1004-0136 uly 31, 2010 |
| DEPARTMENT OF BUREAU OF LAND | | | 5. Lease Serial No. UTU011336 | |
| ÄPPLICATION FOR PERMIT | TO DRILL OR F | REENTER | 6. If Indian, Allottee or T | ribe Name |
| 1a. Type of Work: 🗖 DRILL 🔲 REENTER | | | 7. If Unit or CA Agreeme UTU63047A | nt, Name and No. |
| 1b. Type of Well: ☐ Oil Well Gas Well ☐ Ot | her □ Si | ngle Zone 🔀 Multiple Zone | 8. Lease Name and Well 1 NBU 1022-114CS | No. |
| | GINA T BECKER | | 9. API Well No. 43. 047.5 | 24/ |
| 3a. Address P.O. BOX 173779 DENVER, CO 80202-3779 | 3b. Phone No. (incl Ph: 720-929-60 Fx: 720-929-70 |)86 | 10. Field and Pool, or Exp NATURAL BUTTE | oloratory S |
| 4. Location of Well (Report location clearly and in accorded | ince with any State req | uirements.*) | 11. Sec., T., R., M., or Bil | c. and Survey or Area |
| At surface NESE 1828FSL 928FEL 3 | | | Sec 1 T10S R22E | Mer SLB |
| At proposed prod. zone NESE 1579FSL 492FEL 3 | | 09.380571 W Lon | | |
| Distance in miles and direction from nearest town or post APPROXIMATELY 46 MILES SOUTH OF VERI | office* NAL, UTAH | | 12. County or Parish UINTAH | 13. State UT |
| Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 492 | 16. No. of Acres in 522.84 | Lease | 17. Spacing Unit dedicated | l to this well |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1221 | 19. Proposed Depth 8522 MD | | 20. BLM/BIA Bond No. o | n file |
| 21. Elevations (Show whether DF, KB, RT, GL, etc. | 8471 TVD | 41:11-44 | WYB000291 | |
| 5107 GL | 22. Approximate da 03/01/2012 | e work will start | 23. Estimated duration 60-90 DAYS | |
| | 24. At | tachments | | |
| The following, completed in accordance with the requirements of | Onshore Oil and Gas | Order No. 1, shall be attached to the | his form: | |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syste SUPO shall be filed with the appropriate Forest Service Off | em Lands, the ice). | Bond to cover the operation Item 20 above). Operator certification Such other site specific informathorized officer. | | |
| 25. Signature (Electronic Submission) | Name (Printed/Typed GINA T BECK | f) ER Ph: 720-929-6086 | | Date 10/12/2011 |
| Title REGULATORY ANALYST II | | | | |
| Approved by (Signature) | Name (Printed/Typed | ⁰ Jerry Kenczka | | D#UN 2 8 20 |
| Assistant Field Manager Lands & Mineral Resources | Office VE | RNAL FIELD OFFICE | | |
| Application approval does not warrant or certify the applicant holoperations thereon. Conditions of approval, if any, are attached. | | | | plicant to conduct |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, m States any false, fictitious or fraudulent statements or representation | ake it a crime for any pons as to any matter wi | person knowingly and willfully to thin its jurisdiction. | make to any department or ag | gency of the United |
| Additional Operator Remarks (see next page) | | | | |

Electronic Submission #119978 verified by the BLM Well Information System For KERR-MCGEE OIL & GAS ONSHORE, sent to the Vernal RECEIVED

NOTICE OF APPROVAL

AUG 1 0 2012

CONDITIONS OF APPROVAL ATTACHED

DIV. OF OIL, GAS & MINING

OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

APD Posted 10/21/11



UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE** 170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Well No:

API No:

Kerr McGee Oil & Gas Onshore

NBU 1022-114CS

43-047-52364

Location:

NESE, Sec. 1, T10S, R22E

Lease No: Agreement: UTU-011336 **Natural Buttes**

OFFICE NUMBER:

(435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

| Location Construction (Notify Environmental Scientist) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
|--|---|--|
| Location Completion (Notify Environmental Scientist) | - | Prior to moving on the drilling rig. |
| Spud Notice (Notify Petroleum Engineer) | _ | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify Supv. Petroleum Tech.) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov |
| BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.) | - | Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify Petroleum Engineer) | | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

Page 2 of 8 Well: NBU 1022-114CS 6/19/2012

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
 work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
 mitigation may be necessary for the discovered paleontologic material before construction can
 continue.

Site Specific COA's

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horse power must not emit more than 2 grams of NOx per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower-hour.
- All new and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 grams of NOx per horsepower-hour.
- The following would be used as standard operating procedures: Green completion or controlled VOC emissions methods with 90% efficiency for Oil or Gas Atmospheric Storage Tanks, VOC Venting controls or flaring, Glycol Dehydration and Amine Unites, Well Completion, Re-Completion, Venting, and Planned Blowdown Emissions.
- All reclamation will comply with the Green River Reclamation Guidelines.
- All vehicles and equipment shall be cleaned either through power-washing, or other approved method, if the vehicles or equipment were previously operated outside the Uinta Basin, to prevent weed seed introduction.
- All disturbance areas shall be monitored for noxious weeds annually, for a minimum of three growing seasons following completion of project or until desirable vegetation is established.
- Noxious and invasive weeds will be controlled throughout the area of project disturbance.
- Noxious weeds will be inventoried and reported to BLM in the annual reclamation report. Where an
 integrated pest management program is applicable, coordination has been undertaken with the
 state and local management program (if existing). A copy of the pest management plan will be
 submitted for each project.
- A pesticide use proposal (PUP) will be obtained for the project.

Page 3 of 8 Well: NBU 1022-1I4CS 6/19/2012

- A permitted paleontologist is to be present to monitor construction at well pads CIGE 31 (AKA NBU 1022-1E1) and NBU 1022-1I during all surface disturbing actives: examples include the following building of the well pad, access road, and pipelines.
- The best method to avoid entrainment is to pump from an off-channel location one that does not connect to the river during high spring flows. An infiltration gallery constructed in a BLM and Service approved location is best.
- If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
 - a. do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
 - b. limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (April 1 to August 31); and
 - c. limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.
- Screen all pump intakes with 3/32 inch mesh material.
- Approach velocities for intake structures will follow the National Marine Fisheries Service's
 document "Fish Screening Criteria for Anadromous Salmonids". For projects with an in-stream
 intake that operate in stream reaches where larval fish may be present, the approach velocity will
 not exceed 0.33 feet per second (ft/s).
- Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

Northeastern Region 152 East 100 North, Vernal, UT 84078 Phone: (435) 781-9453

 Kerr McGee can only use the following water source: Permit # 49-2307 JD Field Services Green River-Section 15, T2N, R22E

The following measures are required by and have been committed to by Anadarko for all areas where surface disturbing activities cannot be avoided by the required 300 foot buffer from identified Uinta Basin hookless cactus individuals.

- Silt fencing will be used to protect populations within 300 feet of surface disturbing activities that are downslope or downwind of the surface disturbance
- A qualified botanist will be on site to monitor the surface-disturbing activities.
- Dust abatement will occur and will be done using only water.
- All cacti within 300 feet will be flagged immediately prior to surface-disturbing activities are completed.
- Pipelines will be located to the far side of the ROW to maximize distance from cacti.

Page 4 of 8 Well: NBU 1022-1I4CS 6/19/2012

 Project personnel associated with construction activities would be instructed to drive a speed limit of 15 miles per hour on unpaved roads and to remain on the existing roads and approved ROW at all times.

To maintain compliance with current cactus survey protocols, the following measures will be required.

- If construction does not occur within 4 years of the original survey date, new 100% clearance surveys will be required.
- Prior to construction within 4 years of the original survey date, a spot check survey will be required during the year of construction. KMG and their respective 3rd party surveyor will refer to the current Sclerocactus Spot Check Survey Methods, to determine site specific survey distances and intensity levels.
- Spot check reports will be reported to the BLM and the US Fish and Wildlife Service.
- Construction will not commence until written approval is received from the BLM.

Discovery Stipulation: Reinitiation of section 7 consultation with the USFWS will be sought immediately if any loss of plants or occupied habitat for Pariette cactus or Uinta Basin hookless cactus is anticipated as a result of project activities.

Page 5 of 8 Well: NBU 1022-1I4CS 6/19/2012

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Gamma ray Log shall be run from Total Depth to surface.
- CBL will be run from TD to TOC.

Variances Granted:

Air Drilling

- Properly lubricated and maintained rotating head. Variance granted to use a properly maintained and lubricated diverter bowl in place of a rotating head.
- Blooie line discharge 100' from the will bore. Variance granted for blooie line discharge to be 45' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors located 40' from the well bore.
- In lieu of mud products on location, Kerr McGee will fill the reserve pit with water for the kill medium and will utilize a skid pump near the reserve pit to supply the water to the well bore if necessary.
- Automatic igniter. Variance granted for igniter due to there being no productive formations encountered while air drilling.
- FIT Test. Variance granted due to well-known geology and the problems that can occur with the FIT Test.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a

Page 6 of 8 Well: NBU 1022-1I4CS 6/19/2012

test pump with a chart recorder and \underline{NOT} by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
 encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
 Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to BLM_UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 7 of 8 Well: NBU 1022-114CS 6/19/2012

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written communication
 and must be received in this office by not later than the fifth business day following the date on
 which the well is placed on production. The notification shall provide, as a minimum, the following
 informational items:
 - o Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and/or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs,

Page 8 of 8 Well: NBU 1022-1I4CS 6/19/2012

core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office
 Petroleum Engineers will be provided with a date and time for the initial meter calibration and all
 future meter proving schedules. A copy of the meter calibration reports shall be submitted to the
 BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid
 hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall
 be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a
 suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be
 obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior approval
 of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
 approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
 of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

KERR McGEE OIL & GAS ONSHORE LP

Operator Account Number: N 2995

Address:

P.O. Box 173779

city DENVER

zip 80217 state CO

Phone Number: __(720) 929-6304

Well 1

| API Number | Well | Name | QQ | Sec | Twp | Rng | | County |
|----------------|--------------------------|----------------------|------|-----------|-----|-----|----|---------------------|
| 4304739298 | NBU 1022 | -1I4BS | NESE | 1 | 10S | 22E | | UINTAH |
| Action Code | Current Entity Number | New Entity Number | s | Spud Date | | 1 | • | signment /e Date |
| B | 99999 | 2900 | - | 7/27/2012 | | 8) | 20 | 12012 |
| Comments: MIDI | TOIDIE A DUCKET E | NO. | i | SSMI | W | | | |

MIRU TRIPLE A BUCKET RIG.

SPUD WELL LOCATION ON 7/27/2012 AT 09:00 HRS.

Well 2

| API Number | Well | Name | QQ | Sec | Twp | Rng | County | |
|-------------|--------------------------|----------------------|------------|----------|-----|------------|----------------------------------|--|
| 4304752369 | 04752369 NBU 1022-1I1CS | | NESE 1 105 | | | 22E UINTAH | | |
| Action Code | Current Entity Number | New Entity Number | S | pud Dat | te | | ity Assignment iffective Date | |
| В | 99999 | 2900 | | 7/27/201 | 2 | 81 | 20 12012 | |
| Commenter | | | | ~~~ | ^ | | | |

Comments:

MIRU TRIPLE A BUCKET RIG.

WSMVP SPUD WELL LOCATION ON 7/27/2012 AT 11:30 HRS. BHL: PUSE

Well 3

| API Number | Well | Well Name | | | | Rng | County | | |
|-------------|--------------------------|----------------------|---|------------|----|-----|-------------------------------|--|--|
| 4304752364 | NBU 1022- | NBU 1022-1I4CS | | NESE 1 10S | | | 22E UINTAH | | |
| Action Code | Current Entity Number | New Entity Number | s | pud Da | te | 1 | ty Assignment fective Date | | |
| В | 99999 | 2900 | 7 | 7/27/201 | 2 | S | 12012012 | | |

Comments:

MIRU TRIPLE A BUCKET RIG.

WSMVD SPUD WELL LOCATION ON 7/27/2012 AT 14:00 HRS. PHL: Nese

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity

 Other (Explain in 'comments' section)

 RECEIVED
- E Other (Explain in 'comments' section)

JAIME SCHARNOWSKE

Name (Please Print)

Signature

REGULATORY ANALYST

8/2/2012

Title

Date

AUG 0 6 2012

Sundry Number: 33313 API Well Number: 43047523640000

| | STATE OF UTAH | | FORM 9 |
|--|--|--|--|
| ı | DEPARTMENT OF NATURAL RESOURG DIVISION OF OIL, GAS, AND MI | | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-011336 |
| SUNDR | Y NOTICES AND REPORTS | ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | posals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals. | | 7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: NBU 1022-114CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047523640000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | n Street, Suite 600, Denver, CO, 8021 | PHONE NUMBER: 7 3779 720 929-0 | 9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1828 FSL 0928 FEL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH | HIP, RANGE, MERIDIAN: 1 Township: 10.0S Range: 22.0E Meric | dian: S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICA | TE NATURE OF NOTICE, REPOR | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL |
| ✓ DRILLING REPORT | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| Report Date: 12/27/2012 | | SI TA STATUS EXTENSION | |
| | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| FINISHED DR PRODUCTION CASI OF CASING AN | COMPLETED OPERATIONS. Clearly show RILLING TO 8,555' ON 12/25/ NG. RELEASED XTC 12 RIG ID CEMENT WILL BE INCLUDE EPORT. WELL IS WAITING ON ACTIVITIES | 2012. CEMENTED ON 12/27/2012. DETAILS ED WITH THE WELL | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY December 31, 2012 |
| NAME (PLEASE PRINT) | PHONE NUME | | |
| Lindsey Frazier | 720 929-6857 | Regulatory Analyst II | |
| SIGNATURE N/A | | DATE 12/31/2012 | |

State of Utah - Notification Form

| Operator <u>Anadarko Petroleum</u> Rig Name/# <u>XTREM</u> Submitted By <u>JOE MADSEN</u> Phone Number <u>435-828</u> Well Name/Number <u>NBU 1022-114CS</u> Qtr/Qtr <u>NE/SE</u> Section <u>1</u> Township <u>10 S</u> Range 22E Lease Serial Number <u>UTU011336</u> API Number <u>43047523640000</u> | <u>E 12</u> 8-0985 |
|---|---|
| <u>Casing</u> – Time casing run starts, not cementing times. | |
| Production CasingOther | |
| Date/Time <u>12/27/2012</u> <u>04:00</u> AM 🔀 | РМ |
| BOPE Initial BOPE test at surface casing point Other | |
| Date/Time AM | |
| Rig Move Location To: | RECEIVED DEC 2 6 2012 DIV. OF OIL, GAS & MINING |
| Date/Time AM PM | |
| Remarks <u>TIME IS ESTIMATED</u> | |

Sundry Number: 34320 API Well Number: 43047523640000

| | STATE OF UTAH | | FORM 9 | | | |
|--|--|---|---|--|--|--|
| ı | DEPARTMENT OF NATURAL RESOURC DIVISION OF OIL, GAS, AND MIN | | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-011336 | | | |
| SUNDR | Y NOTICES AND REPORTS | ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | | |
| Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form | posals to drill new wells, significantly or reenter plugged wells, or to drill horizon n for such proposals. | deepen existing wells below ntal laterals. Use APPLICATION | 7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES | | | |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: NBU 1022-114CS | | | |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047523640000 | | | |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | n Street, Suite 600, Denver, CO, 80217 | PHONE NUMBER: 3779 720 929-6 | 9. FIELD and POOL or WILDCAT: 5NATERAL BUTTES | | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1828 FSL 0928 FEL | | RANGE, MERIDIAN: | | | | |
| QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NESE Section: 0 | IIP, RANGE, MERIDIAN: 1 Township: 10.0S Range: 22.0E Meridi | an: S | STATE: UTAH | | | |
| 11. CHECI | K APPROPRIATE BOXES TO INDICAT | E NATURE OF NOTICE, REPOR | RT, OR OTHER DATA | | | |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | | | |
| | ACIDIZE | ALTER CASING | CASING REPAIR | | | |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME | | | |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE | | | |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION | | | |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK | | | |
| SPUD REPORT | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION | | | |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON | | | |
| | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL | | | |
| ✓ DRILLING REPORT Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION | | | |
| 2/4/2013 | WILDCAT WELL DETERMINATION | OTHER | OTHER: | | | |
| 12. DESCRIBE PROPOSED OR | COMPLETED OPERATIONS. Clearly show a No Activity for the month of | | | | | |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMB 720 929-6857 | ER TITLE Regulatory Analyst II | | | | |
| SIGNATURE N/A | | DATE 2/4/2013 | | | | |

RECEIVED: Feb. 04, 2013

Sundry Number: 35174 API Well Number: 43047523640000

| | STATE OF UTAH | | FORM 9 |
|--|--|---|---|
| ī | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ | | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-011336 |
| | Y NOTICES AND REPORTS OF | _ | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| Do not use this form for pro current bottom-hole depth, I FOR PERMIT TO DRILL form | posals to drill new wells, significantly de reenter plugged wells, or to drill horizonta n for such proposals. | epen existing wells below al laterals. Use APPLICATION | 7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: NBU 1022-114CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | 9. API NUMBER: 43047523640000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | Pin Street, Suite 600, Denver, CO, 80217 3 | HONE NUMBER: 779 720 929-6 | 9. FIELD and POOL or WILDCAT: 5NATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1828 FSL 0928 FEL | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NESE Section: 0 | IIP, RANGE, MERIDIAN: 1 Township: 10.0S Range: 22.0E Meridian | : S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICATE | NATURE OF NOTICE, REPOR | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | NEW CONSTRUCTION |
| | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| | TUBING REPAIR | VENT OR FLARE | WATER DISPOSAL |
| ✓ DRILLING REPORT Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| 3/4/2013 | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| | COMPLETED OPERATIONS. Clearly show all discompleting the well. Well TD | | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 04, 2013 |
| NAME (PLEASE PRINT) Lindsey Frazier | PHONE NUMBER 720 929-6857 | TITLE Regulatory Analyst II | |
| SIGNATURE N/A | | DATE 3/4/2013 | |

Sundry Number: 35489 API Well Number: 43047523640000

| | STATE OF UTAH | | | FORM 9 |
|--|---|------------|--------------------------------|---|
| ı | DEPARTMENT OF NATURAL RESO DIVISION OF OIL, GAS, AND I | | i | 5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-011336 |
| SUNDR | Y NOTICES AND REPORT | rs on | WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | posals to drill new wells, significar reenter plugged wells, or to drill ho n for such proposals. | | | 7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | | | | 8. WELL NAME and NUMBER: NBU 1022-114CS |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ON | ISHORE, L.P. | | | 9. API NUMBER: 43047523640000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th | n Street, Suite 600, Denver, CO, 80 | | NE NUMBER: 9 720 929-6 | 9. FIELD and POOL or WILDCAT: 5NATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1828 FSL 0928 FEL | | | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NESE Section: 0 | HP, RANGE, MERIDIAN: 1 Township: 10.0S Range: 22.0E M | eridian: S | 3 | STATE: UTAH |
| 11. CHECK | K APPROPRIATE BOXES TO INDI | CATE NA | ATURE OF NOTICE, REPOR | T, OR OTHER DATA |
| TYPE OF SUBMISSION | | | TYPE OF ACTION | |
| | ACIDIZE | | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | | CHANGE TUBING | CHANGE WELL NAME |
| | CHANGE WELL STATUS | | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | ☐ F | RACTURE TREAT | NEW CONSTRUCTION |
| | OPERATOR CHANGE | ☐ P | PLUG AND ABANDON | PLUG BACK |
| SPUD REPORT | PRODUCTION START OR RESUME | □ R | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| Date of Spud: | REPERFORATE CURRENT FORMATION | □s | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| | TUBING REPAIR | | ENT OR FLARE | WATER DISPOSAL |
| ✓ DRILLING REPORT Report Date: | WATER SHUTOFF | | SI TA STATUS EXTENSION | APD EXTENSION |
| 3/8/2013 | | | I IA STATUS EXTENSION | AFD EATENSION |
| | WILDCAT WELL DETERMINATION | | OTHER | OTHER: |
| The subject we | completed operations. Clearly shell was placed on product History will be submitted report. | tion on | n 3/8/2013. The | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 11, 2013 |
| | | | | |
| | | | | |
| NAME (PLEASE PRINT) Laura Abrams | PHONE NU 720 929-6356 | JMBER | TITLE Regulatory Analyst II | |
| SIGNATURE N/A | | | DATE 3/11/2013 | |

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

| | WELL (| COMPL | EHONC | K KEC | OMPL | EHOI | N REPU | KI | AND LO | G | | | TU01133 | | |
|------------------------------------|----------------------------|---|--------------------|------------------------|------------------|--------------------|---------------------|-----------------|-------------------------------|----------------|--------------------------------------|----------|-------------------------|----------------|---|
| 1a. Type of | _ | Oil Well | | Well [| Dry | Oth | | Pluo | Back | Diff. R | esvr | | | | r Tribe Name |
| b. Type o | f Completion | _ | er | _ | | | | i iug | , Dack _ | J Dill. IX | OSVI. | 7. U | nit or CA A ITU63047 | greem A | ent Name and No. |
| 2. Name of KERR- | Operator MCGEE OIL | .&GAS C | NSHOREE | ЫЯail: luk | Cont e.urban(| act: LUk @anada | KE URBA arko.com | N | | | | | ease Name IBU 1022- | | |
| 3. Address | 1099 18TI DENVER, | | T STE 600 202 | | | | 3a. Pho Ph: 72 | | o. (include a 9-6501 | rea code) | | 9. A | PI Well No | • | 43-047-52364 |
| 4. Location | ı of Well (Re | port locati | on clearly an | d in accor | dance wi | th Feder | al requirer | nents) |)* | | | | ield and Po⊓ IATURAL | | Exploratory -S |
| At surfa | | | _928FEL 39 | | | | 121 W Lo | n | | | | 11. 8 | Sec., T., R., | M., or | Block and Survey 0S R22E Mer SLB |
| | orod interval i | _ | | | SL 509F | EL. | | | | | | 12. (| County or P | | 13. State |
| At total | | SE 1569F | SL 494FEL | | 1 1 | | 116 | D-4- | Completed | | | | | DE KI | 3, RT, GL)* |
| 14. Date S ₁ 07/27/2 | | | | ate T.D. R /25/2012 | eacned | | | D & | Completed A 🙍 Re 3/2013 | eady to P | | | 512 | 20 KB | 5, K1, OL) |
| 18. Total E | Depth: | MD TVD | 8555 8508 | 1 | 9. Plug I | Back T.I | | D VD | 8488 8442 | | 20. Dep | | dge Plug So | | MD TVD |
| 21. Type E CBL/G | lectric & Oth R/CCL/TEM | er Mechai P | nical Logs R | un (Submi | t copy of | each) | | | 2 | Was I | vell cored OST run? tional Sur | | 🔯 No | 🗖 Yes | s (Submit analysis) s (Submit analysis) s (Submit analysis) |
| 23. Casing at | nd Liner Reco | ord (Repo | rt all strings | set in wel | () | | | _ | | | T | _ | | | |
| Hole Size | Size/G | rade | Wt. (#/ft.) | Top (MD) | | ttom S ID) | Stage Cem Depth | | No. of S Type of C | | Slurry (BB | | Cement ' | Гор* | Amount Pulled |
| 20.000 | 14.0 | 000 STL | 36.7 | | 0 | 40 | | | | 28 | | | <u></u> - | | |
| 11.000 | _8.6 | 25 IJ-55 | 28.0 | | 0 | 2356 | | | | 900 | | | | 0 | |
| 7.875 | 4. | 500 I-80 | 11.6 | | 0 | 8535 | | | | 1385 | - | | | 580 | |
| | ├ | | | | | | | | | | | | | | |
| | | | | ļ | +- | | | | | | | | | | |
| 24. Tubing | Record | | | | | | | | L | | <u> </u> | | | | <u> </u> |
| - | Depth Set (M | (D) P | acker Depth | (MD) | Size | Depth | Set (MD) | Р | acker Depth | (MD) | Size | De | pth Set (M | D) | Packer Depth (MD) |
| 2.375 | | 7928 | doker Depar | | | | (| 1 | <u> </u> | | | | · | | |
| | ng Intervals | | | | | 26. P | Perforation | Reco | ord | | | | | | |
| Fo | ormation | | Тор | | Bottom | | Perfo | rated | Interval | | Size | 1 | lo. Holes | | Perf. Status |
| A) | MESAVE | RDE | | 6544 | 839 | 3 | | | 6544 TO | 8393 | 0.3 | 60 | 177 | OPE | V |
| В) | | | | | | | | | | | | | | <u> </u> | |
| C) | | | | | | | | | | | | - - | | <u> </u> | |
| D) | | | | | | Щ., | | | | L_ | | l_ | F | (EC | EIVED |
| | racture, Treat | | nent Squeeze | e, Etc. | | | | | . 17 | | (-41-1 | | • | | |
| | Depth Interva | | OO DUMB O | 027 DDI S | SI ICK H | 2O & 18 | 6 140 LBS | | mount and T OTTAWA S | | iateriai_ | | A | PR (| 9 2013 |
| | 65 | 44 TO 83 | 393 FOWE 8 | UZT BBLO | OLIOITI | 20 G 10 | 0,140 LB0 | 00/00 | , 011,,,,,,, | 7 (1 1 2 | | | | | |
| | | | | | | | | | | | | | DIV. O | FOIL, | GAS & MINING |
| | | *************************************** | | | | | | | | | | | | | |
| 28. Product | ion - Interval | A | | | | | | | | | | | | | |
| Date First | Test | Hours Tested | Test Production | Oil BBL | Gas MCF | Wa BB | ater | Oil Gr Corr. | | Gas Gravity | , | Producti | ion Method | | |
| Produced 03/08/2013 | Date 03/14/2013 | 24 | | 0.0 | 2284 | | 0.0 | | | | | | FLOV | VS FRO | OM WELL |
| Choke Size | Tbg. Press. Flwg. 1359 | | 24 Hr. Rate | Oil BBL | Gas MCF | ВВ | | Gas:O Ratio | il | Well S | tatus GW | | | 5 | |
| 20/64 | sı etion - Interva | 1862.0 | | 0 | 228 | <u> </u> | 0 | L | | | | | | | |
| Date First | Test | Hours | Test | Oil | Gas | Wa | ater | Oil Gr | | Gas | | Product | ion Method | | |
| Produced | Date | Tested | Production | BBL | MCF | ВВ | | Corr. | | Gravity | , | | | | |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Wa BB | ater 3L | Gas:O Ratio | il | Well S | tatus | | | | |

| OOL Due | nation Intern | rol C | | | | | | | | | |
|---------------------------|--|--|--|--------------------------------|-------------------------------|---|--------------------------------|---|---|------------------|---------------------------------------|
| Date First | uction - Interv | Hours | Test | Oil | Gas | Water | Oil Gravity | Gas | Production Method | | · · · · · · · · · · · · · · · · · · · |
| Produced | Date | Tested | Production | BBL | MCF | BBL | Corr. API | Gravity | 1 | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas;Oil Ratio | Well Status | | | |
| 28c. Prod | uction - Interv | al D | | | | | | | | | |
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | | Gas:Oil Ratio | Well Status | | | |
| 29. Dispo | sition of Gas(| Sold, used f | or fuel, vent | ed, etc.) | <u> </u> | | | | | | |
| | nary of Porous | Zones (Inc | lude Aquife | rs): | | | | 31. Fo | ormation (Log) Ma | rkers | |
| tests, | all important including dept | zones of po h interval to | rosity and costed, cushic | ontents there on used, time | eof: Cored in e tool open, | ntervals and all flowing and sh | drill-stem aut-in pressures | | | | |
| | Formation | | Тор | Bottom | | Descriptions | , Contents, etc. | | Name | _ | Top Meas. Depth |
| The fi surfac csa w | ce hole was o | he surface Irilled with 1981 ft to 8 | hole was an 11 in bi 3,535 ft. Att | drilled with t. DQX csq | was run fr | it. The remai om surface to gical well hist | 4981 ft; LTC | BI M. W | REEN RIVER RD'S NEST AHOGANY 'ASATCH ESAVERDE | | 1300 1566 1890 4185 6288 |
| | | | | | | | | | | | <u>-</u> |
| 1. Ele | enclosed attac ectrical/Mecha ndry Notice fo | nical Logs (| | | | 2. Geologic Re 5. Core Analys | - | 3. DST Ro 7 Other: | eport | 4. Direction | al Survey |
| 34. I here | by certify that | the foregoi | Electr | onic Subm | ission #2033 | 353 Verified by | y the BLM We | from all availabl Il Information S ent to the Verna | | ched instruction | ns): |
| Name | (please print) | LUKE UR | BAN | _ | | | Title SR | REGULATORY | Y SPECIALIST | - | |
| | | | | | | | | | | | |

US ROCKIES REGION

Operation Summary Report

| Well: NBU 1022-1I4CS YELLOW Spud Date: 9/7/2012 | | | | | | |
|---|-----------------------|--|--|--|--|--|
| Project: UTAH-UINTAH | Site: NBU 1022-1I PAD | Rig Name No: PROPETRO 12/12, XTC 12/12 | | | | |
| Event: DRILLING | Start Date: 8/2/2012 | End Date: 12/27/2012 | | | | |

Active Datum: RKB @5,120.00usft (above Mean Sea

UWI: NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/0/0

| Date | | Time | Duration | Phase | Code | Sub | P/U | MD From | Operation |
|----------|-------|---------|----------|--------|----------------|------|-----|---------|---|
| | S | art-End | (hr) | | 574 <u>8 J</u> | Code | | (usft) | |
| 9/7/2012 | 7:30 | - 9:30 | 2.00 | DRLSUR | 01 | С | Р | | SKID RIG TO WELL 3/5 AND PREPARE TO SPUD |
| | 9:30 | - 11:00 | 1.50 | DRLSUR | 02 | В | Р | | SPUD DRILL 12.25" HOLE 44 ft TO 210 ft (166 FT, 111 FPH). WOB 5-15 Kips. GPM 491. PSI ON/OFF 750/500. SURFACE RPM 55, MOTOR 83, TOTAL RPM 138. UP/DOWN/ ROT 20/20/20 K. DRAG 0 Kips. CIRCULATE CLOSED LOOP SYSTEM DRILL DOWN TO 210 ft W/6 in COLLARS. NOV ON LINE NO HOLE ISSUES. |
| | 11:00 | - 14:00 | 3.00 | DRLSUR | 06 | Α | Р | | TOOH INSTALL DIRECTIONAL ASSEMBLY AND 11" BIT INSTALL EM TOOLS AND ORIENT TO MUD MOTOR TIH |
| | 14:00 | - 17:30 | 3.50 | DRLSUR | 02 | В | P | | DRILL 11" SURFACE HOLE F/ 210' /790' 880' @165' FPH |
| | | | | | | | | | WEIGHT ON BIT 15-25 K. STROKES PER MINUTE 120 GALLONS PER MINUTE 491. PRESSURE ON/OFF(BOTTOM) 1120/790. ROTARY RPM 48, MOTOR RPM 83, TOTAL RPM 131. UP/DOWN/ ROTATE 50/47/48 K. DRAG 2 K. CIRCULATE CLOSED LOOP SYSTEM NOV ON LINE WITH 8.6# WATER. RUNNING VOLUME OVER BOTH SHAKERS. 170 API SCREENS ON SHAKERS. NO HOLE ISSUES. |
| | 17:30 | - 0:00 | 6.50 | DRLSUR | 02 | В | P | | DRILL 11" SURFACE HOLE F/790' TO 1720' / 930' @143' FPH WEIGHT ON BIT 15-25 K. STROKES PER MINUTE 120 GALLONS PER MINUTE 491. PRESSURE ON/OFF(BOTTOM) 1360/1200. ROTARY RPM 48, MOTOR RPM 83, TOTAL RPM 131. UP/DOWN/ ROTATE 71/54/62 K. DRAG 9 K. CIRCULATE CLOSED LOOP SYSTEM NOV ON LINE WITH 8.6# WATER. RUNNING VOLUME OVER BOTH SHAKERS. 170 API SCREENS ON SHAKERS. HOLE ISSUES. ON AIR @1590' Current Position: 3.1' above, 1.2' right of |

| | | | 7 4 7 | | | | KIES RE | | | | | |
|----------------------------|----------|------------------|------------------|--------------|-----------|-------------|----------------|--------------------------|--|--|--|--|
| | | | | | Opera | ation S | Summa | ry Report | | | | |
| Well: NBU 1022- | 1I4CS YE | LLOW | | | | | | Spud Date: 9/7 | | | | |
| Project: UTAH-U | HATAI | | | Site: NBU | 1022-11 | PAD | | | Rig Name No: PROPETRO 12/12, XTC 12/12 | | | |
| Event: DRILLING | 3 | | | Start Date | : 8/2/201 | 12 | | | End Date: 12/27/2012 | | | |
| Active Datum: RI Level) | KB @5,12 | 0.00usft (ab | ove Mean S | ea | UWI: N | E/SE/0/10 | D/S/22/E/1/ | 0/0/26/P M /S/18: | 28/E/0/928/0/0 | | | |
| Date | 1.144861 | ime rt-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation | | | |
| 9/8/2012 | 5:30 | - 5:30 - 8:30 | 5.50 | DRLSUR | 02 | В | P | | DRILL 11" SURFACE HOLE F/1720' TO 2376' 656' @119' FPH WEIGHT ON BIT 15-25 K. STROKES PER MINUTE 120 GALLONS PER MINUTE 491. PRESSURE ON/OFF(BOTTOM) 1370/1245. ROTARY RPM 65, MOTOR RPM 83, TOTAL RPM 148. UP/DOWN/ ROTATE 83/62/70 K. DRAG 13 K. CIRCULATE CLOSED LOOP SYSTEM NOV ON LINE WITH 8.6# WATER. RUNNING VOLUME OVER BOTH SHAKERS. 170 API SCREENS ON SHAKERS. HOLE ISSUES. ON AIR @1590' Current Position: 2.8' above, 1.9' left of proposal Slide Footage: 354' = 14.8% Rotating Footage: 2042' = 85.2% CIRCULATE AND CONDITION MUD PRIOR TO LDDS | | | |
| | | - 12:00 | 3.50 | DRLSUR | 06 | А | P | | TOOH LAYING DOWN, L/D MWD TOOLS, | | | |
| | 12:00 | - 16:30 | 4.50 | CSGSUR | 12 | С | _i P | | DIRECTIONAL MONELS, MUD MOTOR, AND 11" BIT RIG UP AND RUN 53 JOINTS 8.625" J55 28# SURFACE CASING SHOE AT 2341.32' BAFFLE AT 2295.56' NO PROBLEMS GETTING TO BOTTOM RUN 200' 1" PIPE AND RIG DOWN MOVE RIG OFF WELL. | | | |
| | 16:30 | - 0:00 | 7.50 | DRLSUR | 12 | E | P | | HELD S/M WITH PRO PETRO CMENTERS RIG UP, PRESSURE TEST LINES TO 2000 PSI. PUMP 150 BBLS OF WATER AHEAD. CATCH PSI. PUMP 20 BBLS OF 8.3# GEL WATER AHEAD. MIX AND PUMP (300 SX) 61.4 BBLS OF 15.8# 1.15 YD 5 GAL/SK PREMIUM CEMENT W/ 2% CALC. DROP PLUG ON FLY. DISPLACE W/ 143.2 BBLS OF H20. NO CIRC THROUGH OUT. FINAL LIFT OF 185 PSI AT 4 BBL/MIN. BUMP PLUG WITH 485 PSI FOR 5 MIN. FLOAT HELD. MIX AND PUMP (150 SX) 30.7 BBLS OF SAME TAIL CEMENT W/ 4% CALC. DOWN 1". NO CEMENT TO SURFACE. SHUT DOWN AND CLEAN TRUCK WAIT 1.5 HOURS MIX AND PUMP (150 SX) 30.7 BBLS OF SAME TAIL CEMENT W/ 4% CALC. DOWN BACKSIDE NO CEMENT TO SURFACE. SHUT DOWN AND CLEAN TRUCK. WAIT 1.5 HOURS MIX AND PUMP (150 SX) 30.7 BBLS OF SAME TAIL CEMENT W/ 4% CALC. DOWN BACKSIDE NO CEMENT TO SURFACE. NO SHUT DOWN AND CLEAN TRUCK.WAIT 1.5 HOURS MIX AND PUMP (150 SX) 30.7 BBLS OF SAME TAIL CEMENT W/ 4% CALC. DOWN BACKSIDE CEMENT TO SURFACE RIG DOWN SAME. EST TOP OF TAIL 985' RELEASE RIG @ 00:00 9-8-2012 | | | |
| 12/22/2012 | | - 1:30 - 3:00 | 1.50 1.50 | MIRU MIRU | 01 14 | C A | P P | , | SKID THE RIG 10' AND CENTER IT OVER THE HOLE. NIPPLE UP THE BOP,RIG UP STEAM EXTENTION,THAW OUT KILL LINE. PUT TURN BUCKLES ON STACK. RIG UP KILL LINE. | | | |

| | | | | | | 302-e1-000 430-000 | KIES RI Summa | EGION ary Report | | | | | |
|---|-------------------------------|--------------------|------------------|---|-----------------|---|------------------|--|--|--|--|--|--|
| Well: NBU 1022 | 2-1I4CS Y | ELLOW | | 3. 1 (S. 14 25 11 11 11 11 11 11 11 11 11 11 11 11 11 | N 1 1 1 12 12 1 | <u> </u> | | Spud Date: 9/7/2012 | | | | | |
| Project: UTAH- | UINTAH | | | Site: NBL | J 1022-1I | PAD | | Rig Name No: PROPETRO 12/12, XTC 12/12 | | | | | |
| Event: DRILLIN | G | , | | Start Date | e: 8/2/201 | 12 | | End Date: 12/27/2012 | | | | | |
| Active Datum: RKB @5,120.00usft (above Mean Sea Level) | | | | | | JWI: NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/0/0 | | | | | | | |
| Date | 41 (2.7%) | Time art-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From Operation (usft) | | | | | |
| | 3:00 | - 11:00 - 11:30 | 8.00 | PRPSPD | 15 14 | А | P | HOLD SAFETY MEETING. TEST TOP DRIVE VALVE, I-BOP VALVE, FLOOR VALVE, DART VALVE, PIPE AND BLIND RAMS, INSIDE AND OUTSIDE KILL LINE VALVES INSIDE OUTSIDE CHOKE LINE VALVE, HCR VALVE, CHOKE LINE, CHOKE MANIFOLD VALVES AND CHOKES TO 5000 PSI FOR 10 MINUTES AND 250 PSI FOR 5 MINUTES. TEST ANNULAR TO 2500 PSI FOR 10 MIN AND 250 PSI FOR 30 MINUTES. TESTING CASING TO 1500 PSI FOR 30 MINUTES. (ADD 100% METHANOL TO LINES TO KEEP THEM FROM FREEZING UP) | | | | | |
| | | - 12:00 | 0.50 | PRPSPD | 23 | | Р | RIG INSPECTION & SAFETY MEETING | | | | | |
| | | - 15:00 - 16:00 | 3.00 | PRPSPD | 06 08 | A A | P S | PICK UP AND SCRIBED THE DIRECTIONAL TOOLS, PU BHA AND TRIP IN THE HOLE. (SHUT DOWN TO CLEAN UP RIG FLOOR THAW OUT HOOK LOAD LINE ,AND 4" STAND PIPE VALVE. | | | | | |
| | 16:00 | - 18:00 | 2.00 | PRPSPD | 06 | Α | P | FINISH TRIP IN THE HOLE. TO 2221' | | | | | |
| | 18:00 | - 18:30 | 0.50 | DRLPRV | 07 | Α | Р | RIG SERVICE / TOP DRIVE | | | | | |
| | 18:30 | - 20:30 | 2.00 | PRPSPD | 09 | Α | Р | CUT AND SLIP 30' OF DRILLING LINE. | | | | | |
| | 20:30 | - 0:00 | 3.50 | PRPSPD | 08 | Α | S | (SHUT DOWN TO WORK ON MUD PUMP, WELD WASH ON #1 MUD PUMP) THAW OUT RIG. | | | | | |
| 12/23/2012 | 0:00 | - 9:00 | 9.00 | PRPSPD | :08 | Α | s | (SHUT DOWN TO WORK ON MUD PUMP, WELD WASH ON #1 MUD PUMP) THAW OUT RIG. | | | | | |

Р

F

02

DRLPRC

1.00

9:00 - 10:00

DRILLED THE SHOE TRACK 10-12K WOB 40 RPM 90

STROKES ON PUMP

3/28/2013 3:02:28PM

US ROCKIES REGION Operation Summary Report Spud Date: 9/7/2012 Well: NBU 1022-1I4CS YELLOW Project: UTAH-UINTAH Site: NBU 1022-1I PAD Rig Name No: PROPETRO 12/12, XTC 12/12 Event: DRILLING Start Date: 8/2/2012 End Date: 12/27/2012 UWI: NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/0/0 Active Datum: RKB @5,120.00usft (above Mean Sea Level) Phase P/U Operation Date Code Sub MD From Time Duration Start-End Code (usft) (hr) 10:00 - 17:30 DRLPRC В DRILL SLIDE F/ 2387 TO 3361' (974' @ 129.8 '/HR) 7.50 02 WEIGHT ON BIT 18-24 K. AVERAGE WEIGHT ON BIT 22 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 115 GALLONS PER MINUTE 517. OFF/ON PSI 1801/1200. DIFFERENTIAL 524. TORQUE HIGH/LOW . 10000 / 8000 OFF BOTTOM TORQUE 7500 STRING WEIGHT UP/DOWN/ROT 93/82/86, DRAG 7 NOV RUNNING 1 CENTRIFUGES ON DEWATER. WT 8.8 VIS 31. ///// DRILLING WITH FLOWZAN MUD CHEM ///// PUMP LCM SWEEPS TO HELP WITH LOSSES. USED 50 BBL. FLUID FOR HOLE VOLUME (ADD 0 BBLS OF DRILL WATER TO PITS FOR VOLUME) NO FLARE FootageFeet% Total974 Slide798.50% Rotate89591.50%

TimeMinHrs%
Total 3706.166667
Slide751.2520.27%
Rotate2954.91666779.73%

RIG SERVICE

3266' 19' North 7' West

3/28/2013 3:02:28PM 4

17:30 - 18:00

0.50

DRLPRV

07

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| | | U | S ROC | KIES RE | GION | |
|---|-----------|------------|-------------|-------------|-------------------|--|
| | | Opera | ition S | umma | ry Report | |
| ell: NBU 1022-114CS YELLOW | | | | | Spud Date: 9/7 | 7/2012 |
| oject: UTAH-UINTAH | Site: NBI | J 1022-11 | PAD | | | Rig Name No: PROPETRO 12/12, XTC 12/12 |
| ent: DRILLING | Start Dat | e: 8/2/201 | 2 | | | End Date: 12/27/2012 |
| tive Datum: RKB @5,120.00usft (above Mean | Sea | UW: N | E/SE/0/10 |)/S/22/E/1/ | 0/0/26/PM/S/182 | 28/E/0/928/0/0 |
| vel) | | - | | T | | |
| Date Time Duration Start-End (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| 18:00 - 0:00 6.00 | DRLPRC | 02 | В | P | | DRILL SLIDE F/ 3361' TO 4288' (927' @ 154 '/HR) WEIGHT ON BIT 18-24 K. AVERAGE WEIGHT ON BIT 22 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 115 GALLONS PER MINUTE 517. OFF/ON PSI 1800/1500. DIFFERENTIAL 450. TORQUE HIGH/LOW . 8000 / 3500 OFF BOTTOM TORQUE 3500 STRING WEIGHT UP/DOWN/ROT 100/80/90. DRAG 10 K. NOV RUNNING 1 CENTRIFUGES ON DEWATER. WT 8.8 VIS 31. ///// DRILLING WITH FLOWZAN MUD CHEM ///// PUMP LCM SWEEPS TO HELP WITH LOSSES. USED 100 BBL. FLUID FOR HOLE VOLUME NO FLARE FootageFeet% Total927 Slide909.71% Rotate83790.29% TimeMinHrs% Total 3606 Slide751.2520.83% Rotate2854.7579.17% |

3/28/2013 3:02:28PM 5

| | | ι | IS ROC | KIES RE | GION | | | |
|---|---------------------------------------|-----------|-------------|---------------------------------------|-------------------|--|--|--|
| | | Opera | ation S | Summai | ry Report | 사용 발생을 위한 말이 사용하게 함께 발생을 받았다. 보고 보통하고 있었다. 아이들은 사용 보는 사용하는 사용을 받는다. | | |
| Well: NBU 1022-1I4CS YELLOW | · · · · · · · · · · · · · · · · · · · | | | · · · · · · · · · · · · · · · · · · · | Spud Date: 9/7/ | 2012 | | |
| Project: UTAH-UINTAH | Site: NBU | J 1022-11 | PAD | | | Rig Name No: PROPETRO 12/12, XTC 12/12 | | |
| Event: DRILLING | Start Dat | e: 8/2/20 | 12 | | | End Date: 12/27/2012 | | |
| Active Datum: RKB @5,120.00usft (above Mean Se Level) | a | UWI: N | E/SE/0/10 |)/S/22/E/1/0 | D/0/26/PM/S/1828 | B/E/0/928/0/0 | | |
| Date Time Duration Start-End (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation | | |
| 12/24/2012 0:00 - 5:30 5.50 | DRLPRC | 02 | В | P | | DRILL SLIDE F/ 4288' TO 5261' (973' @ 176.9 FPH) WEIGHT ON BIT 18-24 K. AVERAGE WEIGHT ON BIT 22 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 115 GALLONS PER MINUTE 517. OFF/ON PSI 2202/1602. DIFFERENTIAL 450. TORQUE HIGH/LOW . 8000 / 3500 OFF BOTTOM TORQUE 3500 STRING WEIGHT UP/DOWN/ROT 100/80/90. DRAG 10 K. NOV RUNNING 1 CENTRIFUGES ON DEWATER. WT 9.1 VIS 34. //////////////////////////////////// | | |
| 5:30 - 6:00 0.50 | DRLPRV | 07 | Α | Р | | 15' North, 9' West of target center RIG SERVICE | | |

3/28/2013 3:02:28PM

US ROCKIES REGION Operation Summary Report Spud Date: 9/7/2012 Well: NBU 1022-114CS YELLOW Rig Name No: PROPETRO 12/12, XTC 12/12 Project: UTAH-UINTAH Site: NBU 1022-1I PAD End Date: 12/27/2012 Event: DRILLING Start Date: 8/2/2012 UWI: NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/0/0 Active Datum: RKB @5,120.00usft (above Mean Sea Level) Phase Code MD From Operation Date Sub Duration Time Start-End Code (usft) (hr) 6:00 - 17:30 DRLPRC 02 В Р DRILL SLIDE F / 5261' TO 6319' (1058' @ 92' FPH) 11.50 WEIGHT ON BIT 18-24 K. AVERAGE WEIGHT ON BIT ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 115 GALLONS PER MINUTE 517. OFF/ON PSI 1470 / 1800 DIFFERENTIAL 320. TORQUE HIGH/LOW . 6500 / 4000 STRING WEIGHT UP/DOWN/ROT 156/120/131. DRAG 25 K. NOV RUNNING 2 CENTRIFUGES ON DEWATER. WT 9.1 VIS 34. ///// DRILLING WITH FLOWZAN MUD CHEM ///// PUMP LCM SWEEPS TO HELP WITH LOSSES. USED 100 BBL. FLUID FOR HOLE VOLUME NO FLARE FootageFeet% Total1058 Slide383.31% Rotate102096.69% TimeMinHrs% Total 69011.5 Slide6018.70% Rotate63010.591.30%

Р

DRLPRV

0.50

07

Α

17:30 - 18:00

6269' 12' North 14' West

RIG SERVICE

3/28/2013 3:02:28PM ⁷

US ROCKIES REGION Operation Summary Report Spud Date: 9/7/2012 Well: NBU 1022-1I4CS YELLOW Site: NBU 1022-1I PAD Rig Name No: PROPETRO 12/12, XTC 12/12 Project: UTAH-UINTAH End Date: 12/27/2012 Event: DRILLING Start Date: 8/2/2012 UWI: NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/0/0 Active Datum: RKB @5,120.00usft (above Mean Sea Level) P/U Operation Date Phase Code Sub MD From Time Duration Start-End Code (usft) (hr) 18:00 - 0:00 P DRILL SLIDE F / 6319' TO 6850' (531' @ 88.5' FPH) DRLPRC 02 В 6.00 WEIGHT ON BIT 18-24 K. AVERAGE WEIGHT ON BIT 25 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 115 GALLONS PER MINUTE 517. OFF/ON PSI 1500 / 1900 DIFFERENTIAL 320. TORQUE HIGH/LOW . 9500 / 3500 STRING WEIGHT UP/DOWN/ROT 150/115/125. DRAG NOV RUNNING 2 CENTRIFUGES ON DEWATER. WT 9.1 VIS 35. ///// DRILLING WITH FLOWZAN MUD CHEM ///// PUMP LCM SWEEPS TO HELP WITH LOSSES. USED 100 BBL, FLUID FOR HOLE VOLUME NO FLARE Footage Slide-38'=8% Rotate-493'=92% Time Slide-1.08Hrs=20% Rotate-4.41Hrs=80% 15' North, 13' West of target center DRILL SLIDE F / 6850' TO 7292' (442' @ 88.4' FPH) 12/25/2012 0:00 - 5:00 5.00 DRLPRC 02 В WEIGHT ON BIT 18-24 K. AVERAGE WEIGHT ON BIT 25 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 115 GALLONS PER MINUTE 517. OFF/ON PSI 1357 / 1842 DIFFERENTIAL 276. **TORQUE HIGH/LOW** . 9111 /4565 STRING WEIGHT UP/DOWN/ROT 158/125/134. DRAG NOV RUNNING 2 CENTRIFUGES ON DEWATER. WT 8.9 VIS 35. ///// DRILLING WITH FLOWZAN MUD CHEM ///// PUMP LCM SWEEPS TO HELP WITH LOSSES. USED 100 BBL. FLUID FOR HOLE VOLUME **NO FLARE 15-20**

3/28/2013 3:02:28PM ⁸

5:00

- 5:30

DRLPRV

0.50

07

Α

ROT 100%

RIG SERVICE

| Vell: NBU 1022-1I4CS YELLOW | | | | Spud Date: 9/7/2012 | | | |
|---|---------------------|-----------------|--------------|---|--------------------|--|--|
| Project: UTAH-UINTAH | Site: NBU 1022-1 | II PAD ————— | | Rig Name No: PROPETRO 12/12, XTC 12 | !/12 | | |
| vent: DRILLING | Start Date: 8/2/20 | | | End Date: 12/27/2012 | | | |
| ctive Datum: RKB @5,120.00usft (above Mean S evel) | ea UWI: I | NE/SE/0/10 | 0/S/22/E/1/0 | 0/26/PM/S/1828/E/0/928/0/0 | /E/0/928/0/0 | | |
| Date Time Duration Start-End (hr) | Phase Code | Sub Code | P/U | MD From Operation (usft) | | | |
| 5:30 - 17:30 12:00 | DRLPRC 02 | В | P | DRILL SLIDE F / 7292' TO 8311' (1019' @ 8 WEIGHT ON BIT 18-24 K. AVERAGE WEIG 25 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 110 GALLONS PER MINUTE 517. OFF/ON PSI 1547 / 2995 DIFFERENTIAL 434. TORQUE HIGH/LOW . 7325 /4985 STRING WEIGHT UP/DOWN/ROT 159/120. 30 K. NOV OFF LINE. WT 11.7 VIS 42. PUMP LCM SWEEPS TO HELP WITH LOS USED 75 BBL. FLUID FOR HOLE VOLUME NO FLARE ROT 100% Rotate1019100.00% TimeMinHrs% Total 75012.5 Slide000.00% Rotate75012.5100.00% | /129. DRAG SES. | | |
| 17:30 - 18:00 | DRLPRC 07 DRLPRC 02 | АВ | P P | 8218' 3' North 5' West RIG SERVICE / TOP DRIVE , BLOCKS. DRILL SLIDE F / 8311' TO 8555' (244' @40. WEIGHT ON BIT 18-24 K. AVERAGE WEIG 25 K. ROTARY RPM 65, MUD MOTOR RPM 108. STROKES PER MINUTE 110 GALLONS PER MINUTE 450. OFF/ON PSI 1647 / 2990 DIFFERENTIAL 375. TORQUE HIGH/LOW . 7300 /5100 STRING WEIGHT UP/DOWN/ROT 159/120. 30 K. NOV OFF LINE. WT 11.7 VIS 42. PUMP LCM SWEEPS TO HELP WITH LOS USED 0 BBL. FLUID FOR HOLE VOLUME NO FLARE ROT 100% FootageFeet% Total244 Slide00.00% Rotate244100.00% TimeMinHrs% Total 3305.5 Slide000.00% | HT ON BIT | | |

US ROCKIES REGION

Operation Summary Report

Spud Date: 9/7/2012 Well: NBU 1022-1I4CS YELLOW Rig Name No: PROPETRO 12/12, XTC 12/12 Project: UTAH-UINTAH Site: NBU 1022-1I PAD End Date: 12/27/2012 Event: DRILLING Start Date: 8/2/2012

UWI: NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/0/0 Active Datum: RKB @5 120 00usft (above Mean Sea

| Active Datum: R Level) | iea | UVVI: IN | =/SE/0/11 | U/S/22/E/1 | /0/0/26/PM/S/182 | 20/E/0/920/0/0 | | |
|---------------------------|-------------------|------------------|-----------|------------|------------------|----------------|----------------|--|
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| 12/26/2012 | 0:00 - 0:30 | 0.50 | DRLPRV | 07 | A | Р | (abit) | DAILY RIG SERVICE, TOP DRIVE CROWN. |
| | 0:30 - 2:30 | 2.00 | DRLPRV | 05 | С | P | | CIRCULATE AND CONDITION FOR THE WIPER TRIP |
| | 2:30 - 4:00 | 1.50 | DRLPRV | 06 | E | Р | | TRIPPED OUT OF THE HOLE 20 STANDS FOR WIPER TRIP |
| | 4:00 - 6:30 | 2.50 | DRLPRV | 06 | E | Р | | FILLED THE PIPE AND TRIPPED BACK IN THE HOLE. NO FILL NO PROBLEMS |
| | 6:30 - 8:30 | 2.00 | DRLPRV | 05 | C | Р | | CIRCULATE AND CONDITION PRIOR TO TRIPPING OUT FOR CASING. 15' FLARE ON BOTTOMS UP RAIS MUD WT TO 12.0 43 VIS |
| | 8:30 - 18:30 | 10.00 | DRLPRV | 06 | Α | Р | | TRIP OUT TO RUN CASING AND LAYED DOWN THE DIR TOOLS |
| | 18:30 - 19:30 | 1.00 | DRLPRV | 14 | В | P | | PULLED THE WEAR BUSHING, BLOW DOWN TOP DRIVE. |
| | 19:30 - 0:00 | 4.50 | CSGPRO | 12 | С | Р | | HELD A SAFETY MEETING WITH KIMZEY CASING CREW RAN 201 TOTAL JTS. OF CASING (81 JOINTS OF 4.5"/11.6# / I-80/ LTC + 1 MARKER) + (119 JTS. OF 4.5"/ 11.6#/ I-80/ DQX) + (1-DQX CROSS OVER). LANDED @ 8535.27', FLOAT COLLAR @ 8473', MESA VERDE MARKER @ 6245', CROSS OVER JT. @ 4944'. |
| 12/27/2012 | 0:00 - 5:00 | 5.00 | CSGPRO | 12 | С | ¡P | | FINISH RUNNING CASING. RAN 201 TOTAL JTS. OF CASING (81 JOINTS OF 4.5"/11.6# / I-80/ LTC + 1 MARKER) + (119 JTS. OF 4.5"/ 11.6#/ I-80/ DQX) + (|
| | 5:00 - 6:30 | 1,50 | DRLPRO | 05 | D | P | | 1-DQX CROSS OVER). LANDED @ 8535.27', FLOAT COLLAR @ 8473', MESA VERDE MARKER @ 6245', CROSS OVER JT. @ 4944' LANDED CASING ON CAMERON CASING HANGER WITH 65K. CIRCULATE CASING WITH RIG PUMP |
| | 6:30 - 12:00 | 5.50 | DRLPRO | 12 | E | P | | SAFETY MEETING WITH BJ PRESSURE TEST TO 4850 PSI. PUMP 25 BBLS OF FRESH WATER. PUMP 162.47 BBLS (460 SX) OF PREMIUM LITE II LEAD CEMENT,12.0 PPG 1.98 YLD, .05 LB/SACK OF STATIC FREE + .4%BWOC R-3 + .25 LBS/SACK CELLO FLAKE + 5 LBS/SACK KOL-SEAL + .4% BWOC FL-52 + .2%BWOC SODIUM METASILICATE + 6% BWOC BENTONITE + 100.1%FRESH WATER . FOLLOWED BY 217.33 BBLS (925 SX) OF 14.3# 1.32 YD 5.91 GAL/SK. POZ 50/50 TAIL CEMENT + 2% BWOC BENTONITE + .005 LB/SACK STATIC FREE + 10% BWOW SODIUM CHLORIDE + .55%BWOC R-3 + .002GPS FP-6L + .75 BWOC SODIUM METASILICATE 58.8% FRESH WATER . SHUT DOWN AND FLUSH LINES. DROP PLUG AND DISPLACE W/ 132 BBLS OF FRESH WATER TREATED WITH CLAYFIX AND MAGNACIDE. 25 BBLS OF WATER AND 10 BBL CELLO FLAKE / WATER TO SURFACE. LIFT PSI OF 2500 / BUMP PLUG 3000 PSI. PRESSURE HELD 5 MINS. FLOAT HELD, FLOW BACK 1.5 BBLS. EST. TOC FOR LEAD 600', EST TOC FOR TAIL 3750'. RIG DOWN CEMENTERS. |
| | 12:00 - 12:30 | 0.50 | CSGPRO | 14 | Α | Р | | SET THE PACK OFF |
| | 12:30 - 15:00 | 2.50 | RDMO | 01 | E | Р | | NIPPLE DOWN THE BOP AND PREP TO SKID RIG (CLEAN SHAKER TANKS) RIG RELEASED AT 15:00 12/27/2012 |

1 General

1.1 Customer Information

| Company | US ROCKIES REGION |
|----------------|-------------------|
| Representative | |
| Address | |

1.2 Well/Wellbore Information

| Well | NBU 1022-114CS YELLOW | Wellbore No. | OH | |
|--------------|---|---------------|--|--|
| Well Name | NBU 1022-114CS | Wellbore Name | NBU 1022-1I4CS | |
| Report No. | 1 | Report Date | 2/26/2013 | |
| Project | UTAH-UINTAH | Site | NBU 1022-11 PAD | |
| Rig Name/No. | | Event | COMPLETION | |
| Start Date | 2/20/2013 | End Date | 3/8/2013 | |
| Spud Date | 9/7/2012 | Active Datum | RKB @5,120.00usft (above Mean Sea Level) | |
| UWI | NE/SE/0/10/S/22/E/1/0/0/26/PM/S/1828/E/0/928/ | 0/0 | | |

1.3 General

| Contractor | Job Method | Supervisor | |
|---------------------|-----------------|------------|--|
| Perforated Assembly | Conveyed Method | | |

1.4 Initial Conditions

1.5 Summary

| Fluid Type | | Fluid Density | Gross Interval | 6,544.0 (u | isft)-8,393.0 (usft | Start Date/Time | 2/26/2013 | 12:00AM |
|-------------------|---------|--------------------|------------------|------------|---------------------|--------------------------|-----------|--------------|
| Surface Press | | Estimate Res Press | No. of intervals | - | 51 | End Date/Time | 2/26/2013 | 12:00AM |
| TVD Fluid Top | | Fluid Head | Total Shots | | 177 | Net Perforation Interval | | 58.00 (usft) |
| Hydrostatic Press | | Press Difference | Avg Shot Dens | ity | 3.05 (shot/ft) | Final Surface Pressure | | |
| Balance Cond | NEUTRAL | | | | | Final Press Date | | 1 |

2 Intervals

2.1 Perforated Interval

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Diamete Carr Type /S Add Shot r (in) | Stage No Carr Size (in) | Phasing (°) | Charge Desc /Charge Cha Manufacturer Wei | ght | Misrun |
|-----------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|--|-------------------------------|----------------|---|-----------------|--------|
| 2/26/2013 | MESAVERDE/ | | | 6,544.0 | 6,545.0 | 3.00 | 0.360 EXP/ | 3.375 | 120.00 | 1 | 23.00 PRODUCTIO | |
| 12:00AM | | | | | | | | | 5 | 9 | N | |

2.1 Perforated Interval (Continued)

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diamete r (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc/Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|--|----------------------|------------------|-------------------|------------------------------|--|----------------------|---------------------|----------------------|-------------|--|----------------------------|----------------|---------------------------------|
| 2/26/2013 12:00AM | MESAVERDE/ | 100 | | 6,609.0 | 6,610.0 | 3.00 | · | 0.360 | EXP/ | 3.375 | 120.00 | <u> </u> | | PRODUCTIO | 14.00 |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,682.0 | 6,683.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,710.0 | 6,711.0 | 4.00 | THE PERSONNEL PROPERTY AND ADMINISTRAL | 0.360 | EXP/ | 3.375 | 90.00 | TOTAL AND VISO APPROXIMATION AND AND AND AND AND AND AND AND AND AN | 23.00 | PRODUCTIO | - 111 |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,718.0 | 6,719.0 | 4.00 | THE STATE OF THE S | 0.360 | EXP/ | 3.375 | 90.00 | en enne (n | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,775.0 | 6,776.0 | 4.00 | | 0.360 | EXP/ | 3.375 | 90.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,826.0 | 6,827.0 | 3.00 | political in the second | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,856.0 | 6,857.0 | 3,00 | 11 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (| 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,907.0 | 6,908.0 | 3.00 | Annual Control of the Management of the State of the Stat | 0.360 | EXP/ | 3.375 | 120.00 | 1.7.1.7. VANDONINA - 1.7.1.1. VANDONINA - 1.11.11.11.11.11.11.11.11.11.11.11.11.1 | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 6,951.0 | 6,952.0 | 3.00 | , philipping and phil | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | 4 50 1 1 1 1 1 1 1 1 1 1 |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,023.0 | 7,024.0 | 3.00 | ************************************** | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | The second secon | | 7,033.0 | 7,034.0 | 3.00 | blidden. | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,054.0 | 7,055.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | TO THE RESERVE AND THE STATE OF | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,094.0 | 7,095.0 | 3.00 | A CONTRACTOR OF THE CONTRACTOR | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,112.0 | 7,113.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | 1 |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,134.0 | 7,135.0 | 3.00 | THE PROPERTY OF THE PROPERTY O | 0.360 | EXP/ | 3.375 | 120.00 | and the second s | 23.00 | PRODUCTIO | CONTRACTOR OF THE STREET |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,143.0 | 7,144.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,219.0 | 7,220.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | Hdi | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,329.0 | 7,331.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | 17111 |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,377.0 | 7,378.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,403.0 | 7,404.0 | 3.00 | 11. (p | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,432.0 | 7,433.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

2.1 Perforated Interval (Continued)

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diamete f (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc/Charge Manufacturer | Charge Weight | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|--|----------------------|---------------------|----------------------|----------------|--|-------------------|-----------|--|
| 2/26/2013 12:00AM | MESAVERDE/ | | (usity | 7,450.0 | 7,451.0 | | | 0.360 | EXP/ | 3.375 | 120.00 | | (gram) 23.00 F | PRODUCTIO | <u> </u> |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,486.0 | 7,487.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120,00 | \$ | | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,516.0 | 7,518.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | Autoria - Autoria | 23.00 P | PRODUCTIO | |
| 12:00AM | MESAVERDE/ | | : | 7,549.0 | 7,550.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 P | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | 1 | 7,575.0 | 7,576.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 P | RODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,593.0 | 7,594.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 P | RODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,651.0 | 7,652.0 | 3.00 | NAME OF THE OWNER OWNER OF THE OWNER OWNER OF THE OWNER OWNE | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,686.0 | 7,687.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,692.0 | 7,693.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,720.0 | 7,721.0 | 3.00 | 99 | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,784.0 | 7,785.0 | 3.00 | 111 | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,793.0 | 7,794.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120,00 | 1 (*********************************** | 23.00 F | RODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | : | 7,799.0 | 7,800.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | 1- | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,809.0 | 7,810.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,838.0 | 7,839.0 | 3.00 | PS is a windown to | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | To the service service of |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,899.0 | 7,900.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | 77 111 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 2/26/2013 12:00AM | MESAVERDE/ | | 7 | 7,924.0 | 7,926.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | V - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,950.0 | 7,951.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,959.0 | 7,960.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | · | PRODUCTIO | |
| 12:00AM | MESAVERDE/ | | : | 7,967.0 | 7,968.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | 100000000000000000000000000000000000000 | 23.00 F | PRODUCTIO | 1011 |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,978.0 | 7,979.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 F | PRODUCTIO | |

2.1 Perforated Interval (Continued)

| Date | Formation/ Reservoir | CCL@ (usft) | CCL-T S (usft) | MD Top (usft) | MD Base (usft) | Shot Density (shot/ft) | Misfires/ Add. Shot | Diamete r (in) | Carr Type /Stage No | Carr Size (in) | Phasing (°) | Charge Desc /Charge Manufacturer | Charge Weight (gram) | Reason | Misrun |
|----------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|----------------------|---------------------|----------------------|-------------|-------------------------------------|----------------------------|----------------|--------|
| 2/26/2013 12:00AM | MESAVERDE/ | | | 7,990.0 | 7,991.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,009.0 | 8,010.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,022.0 | 8,023.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,047.0 | 8,048.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,328.0 | 8,330.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,355.0 | 8,357.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,383.0 | 8,385.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |
| 2/26/2013 12:00AM | MESAVERDE/ | | | 8,391.0 | 8,393.0 | 3.00 | | 0.360 | EXP/ | 3.375 | 120.00 | | 23.00 | PRODUCTIO N | |

3 Plots

3.1 Wellbore Schematic



| Moll: NEU 4000 | -1I4CS YELLOW | | <u>. Pay nii Viigii</u> | | | <u>1933 (1973) 11 12</u> | Spud Date: 9/7/ | <u>'2012</u> |
|------------------------|-----------------------------|------------------|-------------------------|----------|-------------|------------------------------|-------------------|---|
| Project: UTAH-U | | | Site: NBU | 1022-1I | PAD | | Opud Date: 0/1/ | Rig Name No: SWABBCO 6/6 |
| Event: COMPLE | | | Start Date | | | T | | End Date: 3/8/2013 |
| | KB @5,120.00usft (ab | ove Mean S | | | _ | L 0/S/22/E/1/ | /0/0/26/PM/S/182 | |
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation |
| 1/24/2013 2/21/2013 | 7:00 - 8:00 | 1.00 | SUBSPR | 33 | С | Р | | FILL SURFACE CSG. MIRU CAMERON QUICK TEST. PRESSURE TEST CSG & FRAC VALVES 1ST PSI TEST T/ 7000 PSI. HELD FOR 15 MIN LOST 41 PSI. NO COMMUNICATION OR MIGRATION WITH SURFACE CSG BLEED OFF PSI. PRESSURE TEST 8 5/8 X 4 1/2 TO 675 PSI HELD FOR 5 MIN LOST -348 PSI,BLED PSI OFF, REINSTALLED POP OFF SWIFN COUNDN'T PUMP INTO SURFACE |
| 2/22/2013 | 9:00 - 14:00 6:30 - 7:00 | 5.00 | SUBSPR | 37 48 | | P | | PERF STG 1)PU 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH PERF AS PER PERF DESIGN. POOH. SWFW JSA-SAFETY MEETING |
| | 7:00 - 17:30 | 10.50 | FRAC | 36 | В | P | | PRESSURE TEST SURFACE LINE TO 8032#, LOST 16# IN 15 MIN, (90 MIN TO TEST) 1.REFER TO STIMULATION PJR FOR FLUID, SAND AND CHEMICAL VOLUME, ALL STAGES WERE PERFORATED ACCORDING TO PERF RECORD IN OPEN WELL, ALL STAGES WERE STIMULATED TO VENDOR POST JOB REPORT. START FRAC 8:12 AM, (FRAC STG #1) WHP = 969#, BRK DN PERFS = 3640#, @ 4.9 BPM, ISIP = 2531 #, FG = 0.75, FINAL ISIP = 2619#, FINAL FG = 0.75, (FRAC STG #2) WHP = 2150#, BRK DN PERFS = 3100#, @ = 4.9 BPM, ISIP = 2040#, FG = 0.74, FINAL ISIP = 2657#, FINAL FG = 0.77 (FRAC STG #3) WHP = 2258#, BRK DN PERFS = 2619#, @ 6.4 BPM, ISIP = 2281#, F.G = 0.73, FINALI ISIP = 2637#, FINIAL F.G. = 0.77, |
| 2/27/2013 | 6:30 - 7:00 | 0.50 | FRAC | 48 | | ŀΡ | | SW JSA-SAFETY MEETING |

US ROCKIES REGION

Operation Summary Report

| Well: NBU 1022 | 2-114CS Y | ELLOW | | | | | | Spud Date: 9/7 | /2012 | | |
|---------------------------|------------------|-----------------|------------------|-----------|------------|-------------|-----------|-------------------|---|--|--|
| Project: UTAH- | UINTAH | | | Site: NBL | J 1022-1I | PAD | | | Rig Name No: SWABBCO 6/6 | | |
| Event: COMPLI | ETION | | | Start Dat | e: 2/20/20 | 113 | | | End Date: 3/8/2013 | | |
| Active Datum: F Level) | | 20.00usft (at | oove Mean Se | | | | /S/22/E/1 | /0/0/26/PM/S/182 | | | |
| Date | A Park A Section | Time art-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation | | |
| | 7:00 | - 17:30 | 10.50 | FRAC | 36 | В | P | | 1.REFER TO STIMULATION PJR FOR FLUID, SAND AND CHEMICAL VOLUME, ALL STAGES WERE PERFORATED ACCORDING TO PERF RECORD IN OPEN WELL, ALL STAGES WERE STIMULATED TO VENDOR POST JOB REPORT. | | |
| | | | | | | | | | (FRAC STG #4) WHP = 1680#, BRK DN PERFS = 2174#, @ 5.1 BPM, ISIP = 1575#, FG = 0.67 , FINAL ISIP = 2000#, FINAL FG = 0.70 , | | |
| | | | | | | | | | (FRAC STG #5) WHP = 1320#, BRK DN PERFS = 1716#, @ = 7.6 BPM, ISIP = 1389#, F G = 0.63, FINAL ISIP = 1970 #, FINAL F G = 0.70, | | |
| | | | | | | | | | (FRAC STG #6) WHP = 1384#, BRK DN PERFS = 2152#, @ 6.3 BPM, ISIP = 1750#, F G = 0.68, FINAL ISIP = 2165#, FINAL F G = 0.74, SWI | | |
| 2/28/2013 | 6:45 | - 7:00 | 0.25 | FRAC | 48 | | Р | | HSM, RIGGING DOWN, PINCH POINTS | | |
| | 7:00 | - 15:30 | 8.50 | FRAC | 36 | В | Р | | (FRAC STG #7) WHP = 1,036 #, BRK DN PERFS = 2,506 #, @ =4.4 BPM, ISIP =1,475 #, F G = 0.65, FINAL ISIP =2,356 #, FINAL F G = 0.78, | | |
| | | | | | | | | | (FRAC STG #8) WHP = 941#, BRK DN PERFS =1,764 #, @ 4.3 BPM, ISIP = 1,136 #, F G = 0.61 , FINAL ISIP = 2,222 #, FINAL F G = 0.77 | | |
| | | | | | | | | | (KILL PLUG) P/U RIH W/ HALIBURTON 8K CBP, SET FOR TOP KILL @ =6,494' R/D WIRELINE AND FRAC CREW, SHUT WELL IN, | | |
| 3/7/2013 | 7:00 | - 7:30 | 0,50 | DRLOUT | 49 | | P | | TOTAL FLUID PUMP'D =9,027 BBLS TOTAL SAND PUMP'D =186,140# RU | | |
| 0,772010 | 7:30 | - 17:00 | 9.50 | DRLOUT | 31 | 1 | P | | MIRU, PU POBS, SN, BIT, TIH TBG, TAG PLUG #1, 6494', 205 JTS, BREAK CIRC, TEST BOP'S, 3000#, MILL 4 CBP'S 236 JTS, 7361', EOT, SWIFN | | |
| 3/8/2013 | 7:00 | - 7:30 | 0.50 | DRLOUT | 48 | | Р | | TRIPPING TBG | | |

3/28/2013 3:04:52PM

US ROCKIES REGION

| Well: NBU 1022-114CS YELLOV | ' | | | | _ | Spud Date: 9/7/ | 2012 | | |
|--|------------------|------------|------------|-------------|-------------|-----------------|--|--|--|
| Project: UTAH-UINTAH | | Site: NBL | J 1022-1I | PAD | - | | Rig Name No: SWABBCO 6/6 | | |
| Event: COMPLETION | | Start Date | e: 2/20/20 | 13 | | | End Date: 3/8/2013 | | |
| Active Datum: RKB @5,120.00u ∟evel) | ft (above Mean S | iea | UWI: NE | E/SE/0/1 | 0/S/22/E/1/ | 0/0/26/PM/S/182 | 28/E/0/928/0/0 | | |
| Date Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (usft) | Operation | | |
| 7:30 - 12:0 | 0 4.50 | DRLOUT | 44 | С | Р | | MILL 4 CBP'S, 252 JTS, 8078',C/O 30' SAND,TO PBTD, 269 JTS, 8488', POOH TO 7920', 250 JTS, LAND TBG, ND BOP'S, NUWH, POBS, 1000#, PRESSURE TEST FLOW LINE 3000#, RDMO TO NBU 1022-111BS | | |
| | | | | | | | TURNED TO PROD 12:00 NOON | | |
| | | | | | | | PLUG# 1 6494' 5 'SAND 5 MIN 50# KICK PLUG# 2 6806' 25'SAND 5 MIN 200# KICK PLUG# 3 7084' 30'SAND 5 MIN 100# KICK PLUG# 4 7361' 30'SAND 5 MIN 100# KICK PLUG# 5 7539' 25'SAND 5 MIN 50# KICK PLUG# 6 7751' 50'SAND 5 MIN 100# KICK PLUG# 7 7940 15'SAND 5 MIN 100# KICK PLUG# 8 8078' 25'SAND 5 MIN 200# KICK PLUG# 8 8078' 25'SAND 5 MIN 200# KICK PBTD 8488' BTM PERF 8393' TBG 251 JTS 7909.91' KB 15.00' HANGER 4.125" .83' SN 1.875" 2.20' EOT 7927.94' | | |
| 12:00 - 12:0 | 0.00 | DRLOUT | 50 | | | | FRAC WTR 9,027 BBLS RCVD 2,300 BBLS LTR 6,727 BBLS WELL TURNED TO SALES @ 1250 HR ON 3/8/2013. 2400 MCFD, 1560 BWPD, FCP 1800#, FTP 1660#, 20/64" CK, | | |

3/28/2013 3:04:52PM

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N UINTAH_NBU 1022-1I PAD NBU 1022-1I4CS

Wellbore #1

Design: NBU 1022-1I4CS ACTUAL

Standard Survey Report

11 January, 2013

Survey Report

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: UINTAH NBU 1022-11 PAD

NBU 1022-114CS

Wellhore:

Wellbore #1

Design:

NBU 1022-114CS ACTUAL

Local Co-ordinate Reference:

TVD Reference:

Well NBU 1022-114CS

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

MD Reference:

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

North Reference:

Survey Calculation Method:

Minimum Curvature

Database:

edmp

Project

Site

From:

UTAH - UTM (feet), NAD27, Zone 12N

Map System:

Universal Transverse Mercator (US Survey Feet)

System Datum:

Mean Sea Level

Geo Datum: Map Zone:

NAD 1927 (NADCON CONUS) Zone 12N (114 W to 108 W)

UINTAH NBU 1022-11 PAD, Sec.1-T10S-R22E

0.00 ft

Site Position:

Lat/Long

Northing:

14,521,322.42 usft 2,093,898.54 usft Latitude:

39 975729 Longitude:

Position Uncertainty:

Easting: Slot Radius:

13-3/16

-109.381370

Grid Convergence:

1.04°

Well

Well Position

NBU 1022-114CS

+N/-S +E/-W 0.00 ft 0.00 ft Northing: Easting:

14,521,318.41 usft 2,093,878.72 usft

10.84

Latitude: Longitude:

39.975719 -109.381441

11.00

Position Uncertainty

0.00 ft

Wellhead Elevation:

11/12/2012

159,00

Vertical

Depth

11.00

188.00

271.99

353.99

444.93

534.77

ft

Ground Level:

5,105.00 ft

Wellbore

Wellbore #1

Magnetics

Model Name

NBU 1022-114CS ACTUAL

IGRF2010

Sample Date

Declination (°)

Dip Angle (°)

Field Strength (nT)

52.191

Design

Audit Notes:

Version:

1.0

Phase:

ACTUAL

+N/-S

0.00

0.32

0.27

-0.30

-1.69

-3.92

Tie On Depth:

Vertical

Section

(ft)

0.00

-0.94

-1.25

-0.18

2.88

8.23

16.31

26.76

39 42

54.27

65.83

Vertical Section:

Depth From (TVD)

+N/-S (ft)

0,00

+E/-W (ft) 0.00 Direction (°)

Build

Rate

(°/100usft)

0.00

0.35

-0.39

1.26

1.35

1.96

1.96

1.37

1.76

1.37

120.82

Survey Program From

(ft)

1/11/2013

8,555.00 Survey #2 (Wellbore #1)

Azimuth

(°)

0.00

289.74

170.27

To Survey (Wellbore) 2,342.00 Survey #1 (Wellbore #1) 188.00

Tool Name MWD MWD

+E/-W

(ft)

0.00

-0.90

-1.29

-0.39

2,35

7.24

14.67

23.93

34.95

47 88

MWD - STANDARD MWD - STANDARD

Description

Dogleg

(°/100usft)

0.00

0.35

0.96

1.45

1.37

2.01

1.99

1.45

1.76

1.37

Survey

Measured

Depth Inclination (ft) (°) 11.00 188.00 272.00 354.00 445.00

805.00

895.00

1/11/2013 9:08:51AM

2,381.00

1.32 112.73 2.55 119.15 111.76 535.00 4.31 115.72 625.00 6.07 715.00 7.30

0.00

0.62

0.29

8.88

10.11

624.40 -7.24 119.50 713.78 -12.12 119.59 802.88 -18.37-25.66 891.65 119.23

COMPASS 5000.1 Build 56

Turn

Rate

(°/100usft)

0.00

0.00

-142.23

-70.17

7.05

-8,21

4.40

4.20

0.10

-0.40

Page 2

Survey Report

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: UINTAH_NBU 1022-1I PAD NBU 1022-1I4CS

Wellbore: Wellbore #1

Design:

NBU 1022-114CS ACTUAL

Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Database:

Well NBU 1022-114CS

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

Minimum Curvature

edmp

| y | | | | | | arcineiga | | | |
|-----------|-------------|---------|----------|-------------------|------------------|------------------|-------------|----------------------------|----------------|
| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
| Depth | Inclination | Azimuth | Depth | +N/-S | +E/-W | Section | Rate | Rate | Rate |
| (ft) | (°) | (°) | (ft) | (ft) | (ft) | (ft) | (°/100usft) | (°/100usft) | (°/100usft) |
| | | | | | | | | | |
| 985.00 | 11.52 | 118.71 | 980.05 | -33.83 | 62.66 | 71.14 | 1.57 | 1.57 | -0.58 |
| 1,075.00 | 12.56 | 120.48 | 1,068.07 | -43.11 | 78.97 | 89.91 | 1.23 | 1.16 | 1.97 |
| 1,165.00 | 13.01 | 118.97 | 1,155.84 | -52.98 | 96.27 | 109.82 | 0.62 | 0.50 | -1.68 |
| 1,255.00 | 13.57 | 119.15 | 1,243.43 | -63,03 | 114.36 | 130.50 | 0.62 | 0.62 | 0.20 |
| 1,345.00 | 12.75 | 119.23 | 1,331.06 | -73.03 | 132.24 | 150.98 | 0.91 | -0.91 | 0.09 |
| 1,435.00 | 12.66 | 116.77 | 1,418.86 | -82.32 | 149.72 | 170.75 | 0.61 | -0.10 | -2.73 |
| 1,525.00 | 12.75 | 117.56 | 1,506.66 | -91.35 | 167.33 | 190.50 | 0.22 | 0.10 | 0.88 |
| 1,615.00 | 13.19 | 119.67 | 1,594.36 | -101.03 | 185.05 | 210.68 | 0.72 | 0.49 | 2.34 |
| 1,705.00 | 13.19 | 117.39 | 1,681.99 | -110.84 | 203.09 | 231.20 | 0.58 | 0.00 | -2.53 |
| 1,705.00 | 12.40 | 118.79 | 1,769.75 | -120,22 | 220.68 | 251.11 | 0.94 | -0.88 | 1.56 |
| 4 005 00 | 10.10 | 417 55 | 4 057 05 | 400.04 | 227 74 | 270 44 | 0.30 | 0.00 | - 1.38 |
| 1,885.00 | 12.40 | 117.55 | 1,857.65 | -129.34 139.53 | 237.71 254.28 | 270.41 289.34 | 0.30 | -0.54 | 3.29 |
| 1,975.00 | 11.91 | 120.51 | 1,945.63 | -138,52 | | | 1.02 | -0.5 4 -0.61 | -4.07 |
| 2,065.00 | 11.36 | 116.85 | 2,033.79 | -147.24 | 270.19 | 307.47 | 0.44 | -0.61 -0.41 | -4.07 -0.77 |
| 2,155.00 | 10.99 | 116.16 | 2,122.08 | -155.03 | 285.80 | 324.87 | | | |
| 2,245.00 | 10.99 | 112.73 | 2,210.43 | -162.12 | 301.41 | 341.91 | 0.73 | 0.00 | -3.81 |
| 2,342.00 | 11.08 | 117.83 | 2,305.64 | -170.05 | 318.18 | 360.37 | 1.01 | 0.09 | 5.26 |
| TIE ON | | | | | | | | | |
| 2,381.00 | 11.19 | 116.01 | 2,343.90 | -173.46 | 324.90 | 367.89 | 0.94 | 0.28 | -4.67 |
| FIRST MWD | SURVEY | | | | | | | | |
| 2,470.00 | 10.08 | 113.91 | 2,431.37 | -180.40 | 339.78 | 384.22 | 1.32 | -1.25 | -2.36 |
| 2,558.00 | 9.29 | 114.80 | 2,518.12 | -186.50 | 353.27 | 398.93 | 0.91 | -0.90 | 1.01 |
| 2,647.00 | 9.50 | 120.70 | 2,605.93 | -193.27 | 366.11 | 413.42 | 1.11 | 0.24 | 6.63 |
| 2,733.00 | 9.19 | 120.99 | 2,690.79 | -200.43 | 378.10 | 427.39 | 0.36 | -0.36 | 0.34 |
| 2,822.00 | 8.56 | 120.36 | 2,778.72 | -207.43 | 389.90 | 441.12 | 0.72 | -0.71 | -0.71 |
| 2,911.00 | 7.63 | 120.24 | 2,866.83 | -213.76 | 400.72 | 453.65 | 1.05 | -1.04 | -0.13 |
| 3,000.00 | 6.81 | 120.24 | 2,955.13 | -219.38 | 410.39 | 464.83 | 0.92 | -0.92 | -0.15 |
| 3,089.00 | 5.56 | 125.99 | 3,043.61 | -224.56 | 418.45 | 474.40 | 1.57 | -1.40 | 6.61 |
| 3,069.00 | 3.30 | 120.00 | 0,040.01 | 224,00 | 110.10 | | | | |
| 3,178.00 | 4.19 | 138.74 | 3,132.29 | -229,54 | 424.08 | 481.79 | 1.95 | -1.54 | 14.33 |
| 3,266.00 | 2.63 | 143.99 | 3,220.13 | -233.59 | 427.39 | 486.71 | 1.81 | -1.77 | 5.97 |
| 3,354.00 | 1.69 | 186.49 | 3,308.07 | -236.51 | 428.43 | 489.10 | 2.04 | -1.07 | 48.30 |
| 3,442.00 | 1.06 | 222.49 | 3,396.05 | -238.40 | 427.73 | 489.47 | 1.18 | -0.72 | 40.91 |
| 3,531.00 | 1.31 | 211.86 | 3,485.03 | -239.87 | 426.64 | 489.28 | 0.37 | 0.28 | -11.94 |
| 3,619.00 | 0.38 | 248.49 | 3,573.02 | -240.83 | 425.83 | 489.09 | 1.17 | -1.06 | 41.63 |
| 3,709.00 | 1.13 | 343.99 | 3,663.01 | -240.09 | 425.31 | 488.26 | 1.36 | 0.83 | 106.11 |
| 3,796.00 | 0.88 | 318.36 | 3,750.00 | -238,77 | 424.63 | 487.00 | 0.58 | -0.29 | -29.46 |
| 3,884.00 | 0.63 | 288.74 | 3,837.99 | -238,11 | 423.72 | 485.88 | 0.52 | -0.28 | -33.66 |
| 3,972.00 | 0.63 | 273.49 | 3,925.98 | -237,92 | 422.74 | 484.93 | 0.21 | 0.07 | -17.33 |
| 3,812.00 | 60,0 | 210.40 | 0,020,00 | EU1,02 | .22,1 7 | .01.03 | | | |
| 4,061.00 | 0.75 | 249.49 | 4,014.98 | -238.09 | 421.66 | 484.09 | 0.34 | 0.07 | -26.97 |
| 4,149.00 | 1.00 | 222.74 | 4,102.97 | -238.85 | 420.60 | 483.58 | 0.54 | 0.28 | -30.40 |
| 4,238.00 | 0.95 | 22.75 | 4,191.96 | -238.74 | 420.35 | 483.31 | 2.16 | -0.06 | 179.79 |
| 4,327.00 | 0.69 | 39.11 | 4,280.95 | -237.65 | 420.98 | 483.29 | 0.39 | -0.29 | 18.38 |
| 4,416.00 | 0.56 | 36.24 | 4,369.95 | -236.88 | 421.57 | 483.40 | 0.15 | -0.15 | -3.22 |
| 4,504.00 | 0.56 | 43.36 | 4,457.94 | -236.22 | 422.12 | 483.54 | 0.08 | 0.00 | 8.09 |

Survey Report

Company: Project: US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: UINTAH_NBU 1022-11 PAD

NBU 1022-114CS

Wellbore:

Wellbore #1 NBU 1022-1I4CS ACTUAL Local Co-ordinate Reference:

TVD Reference:

MD Reference: North Reference:

Survey Calculation Method:

Database:

Well NBU 1022-114CS

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

True

Minimum Curvature

edmp

| ign: NE | BU 1022-114CS A | CIUAL | er er grij German er ersten skala ander | Database: | | | edmp | comada Albe <mark>dea Abe</mark> | <u> </u> |
|---------------|-----------------|-------------------------------|--|--------------------|------------------|------------------|---------------------|----------------------------------|---------------------|
| rvey | | | | | | | | | |
| Measured | | | Vertical | | | Vertical | Dogleg | Build | Turn |
| Depth (ft) | Inclination | Azimuth (°) | Depth (ft) | +N/-S (ft) | +E/-W (ft) | Section (ft) | Rate (°/100usft) | Rate (°/100usft) | Rate (°/100usft) |
| | (°) | Fifth of National Association | | | | | | | |
| 4,593.00 | 0.25 | 29.24 | 4,546.94 | -235.74 | 422.52 | 483.63 | 0.36 | -0.35 | -15.87 |
| 4,681.00 | 0.25 | 59.11 | 4,634.94 | -235.47 | 422.77 | 483.71 | 0.15 | 0.00 | 33.94 |
| 4,769.00 | 0.25 | 61.61 | 4,722.94 | -235.28 | 423.11 | 483.90 | 0.01 | 0.00 | 2.84 |
| 4,856.00 | 0.31 | 100.86 | 4,809.94 | -235.23 | 423.51 | 484,22 | 0.23 | 0.07 | 45.12 |
| 4,944.00 | 0.31 | 135.86 | 4,897.94 | -235.45 | 423.91 | 484.67 | 0.21 | 0.00 | 39.77 |
| 5,032.00 | 0.44 | 146.36 | 4,985.94 | -235.90 | 424.26 | 485.21 | 0.17 | 0.15 | 11.93 |
| 5,122.00 | 0.63 | 150.49 | 5,075.93 | -236.62 | 424.69 | 485.95 | 0.22 | 0.21 | 4.59 |
| 5,211.00 | 0.69 | 150.24 | 5,164.93 | -237.51 | 425.20 | 486.84 | 0.07 | 0.07 | -0.28 |
| 5,299.00 | 0.88 | 159.99 | 5,252.92 | -238.61 | 425.70 | 487.83 | 0.26 | 0.22 | 11.08 |
| 5,387.00 | 0.94 | 164.99 | 5,340.91 | -239.94 | 426.11 | 488.87 | 0.11 | 0.07 | 5.68 |
| 5,475.00 | 0.94 | 174.86 | 5,428.89 | -241.36 | 426.37 | 489.81 | 0.18 | 0.00 | 11.22 |
| 5,562.00 | 1.00 | 169.99 | 5,515.88 | -242.81 | 426.56 | 490.73 | 0.12 | 0.07 | -5.60 |
| 5,651.00 | 0.69 | 294.11 | 5,604.88 | -243.36 | 426.21 | 490.70 | 1.69 | -0.35 | 139.46 |
| 5,731.00 | 0.81 | 277.86 | 5,684.87 | -243.09 | 425.21 | 489.70 | 0.30 | 0.15 | -20.31 |
| 5,826.00 | 0.73 | 274.12 | 5,779.86 | -242.95 | 423.94 | 488.54 | 0.10 | -0.08 | -3.94 |
| | 0.73 | 246,99 | 5,868.86 | -243.10 | 422.92 | 487.75 | 0.37 | -0.11 | -30.48 |
| 5,915.00 | 0.69 | 240,99 | 5,956.85 | -243.10 | 422.01 | 487.20 | 0.10 | 0.07 | -6.68 |
| 6,003.00 | 1.00 | 345.86 | 6,044.84 | -243.06 | 421,36 | 486.39 | 1.54 | 0.35 | 119.03 |
| 6,091.00 | | | | -243.63 | 420.85 | 485.22 | 0.22 | 0.00 | -12.64 |
| 6,178.00 | 1.00 | 334.86 | 6,131.83 | -241.03 | 420.03 | 405.22 | 0.22 | 0,00 | -12.04 |
| 6,269.00 | 0.63 | 325.61 | 6,222.82 | -240.50 | 420.23 | 484.11 | 0.43 | -0.41 | -10.16 |
| 6,357.00 | 0.56 | 324.74 | 6,310.82 | -239.75 | 419.71 | 483.28 | 0.08 | -0.08 | -0.99 |
| 6,446.00 | 0.44 | 305.86 | 6,399.81 | -239.20 | 419.18 | 482.54 | 0.23 | -0.13 | -21.21 |
| 6,534.00 | 0.13 | 282.49 | 6,487.81 | -238.98 | 418.81 | 482.11 | 0.37 | -0.35 | -26.56 |
| 6,623.00 | 0.06 | 312.61 | 6,576.81 | -238.92 | 418,68 | 481.96 | 0.09 | -0.08 | 33.84 |
| 6,712.00 | 0.06 | 231.70 | 6,665.81 | -238.92 | 418.61 | 481.90 | 0.09 | 0.00 | -90.91 |
| 6,800.00 | 0.44 | 121.99 | 6,753.81 | -239.13 | 418.86 | 482.22 | 0,53 | 0.43 | -124.67 |
| 6,887.00 | 1.00 | 132.86 | 6,840.80 | -239.82 | 419.70 | 483.30 | 0.66 | 0.64 | 12.49 |
| 6,976.00 | 0.63 | 97.99 | 6,929.80 | -240.42 | 420,75 | 484.51 | 0.68 | -0.42 | -39.18 |
| 7,065.00 | 1.00 | 7.61 | 7,018.79 | -239.72 | 421.34 | 484.66 | 1.33 | 0.42 | -101.55 |
| · | | 7.00 | 7 400 70 | 220.20 | 404 50 | 101 13 | 0.28 | -0.28 | 0.43 |
| 7,153.00 | 0.75 | 7.99 | 7,106.78 | -238.38 | 421.52 421.72 | 484.13 483.84 | 0.28 | -0.26 -0.35 | 13.62 |
| 7,242.00 | 0.44 | 20.11 | 7,195.77 | -237.49 | | 483.65 | 0.37 | 0.09 | -8.75 |
| 7,330.00 | 0.52 | 12.41 | 7,283.77 | -236.78 | 421.92 422.19 | 483.64 | 0.12 | -0.30 | 63.71 |
| 7,419.00 | 0.25 | 69.11 | 7,372.77 | -236,32 -236,32 | 422,19 422,72 | 484.05 | 0.49 | 0.21 | 19.03 |
| 7,509.00 | 0.44 | 86.24 | 7,462.77 | -236.22 | 422.72 | 404.00 | 0.24 | 0.21 | 10,00 |
| 7,598.00 | 0.56 | 103.00 | 7,551.76 | -236.30 | 423.48 | 484.75 | 0.21 | 0.13 | 18,83 |
| 7,688.00 | 0,63 | 119.49 | 7,641.76 | -236.64 | 424.34 | 485.66 | 0.20 | 0.08 | 18.32 |
| 7,776.00 | 1.06 | 157.74 | 7,729.75 | -237.63 | 425.07 | 486.79 | 0.78 | 0.49 | 43.47 |
| 7,864.00 | 1.50 | 169.74 | 7,817.73 | -239.52 | 425,59 | 488.20 | 0.58 | 0.50 | 13.64 |
| 7,951.00 | 1.75 | 157.36 | 7,904.69 | -241.87 | 426.30 | 490.02 | 0.49 | 0.29 | -14.23 |
| 8,041.00 | 1.75 | 158.49 | 7,994.65 | -244.41 | 427.33 | 492.21 | 0.04 | 0.00 | 1.26 |
| 8,128.00 | 1.94 | 156.61 | 8,081.61 | -247.00 | 428.41 | 494.45 | 0.23 | 0.22 | -2.16 |
| 8,218.00 | 1.63 | 150.74 | 8,171.56 | -249.52 | 429.64 | 496.80 | 0.40 | -0.34 | -6.52 |
| 8,304.00 | 1.75 | 156.74 | 8,257.53 | -251.79 | 430.75 | 498.92 | 0.25 | 0.14 | 6.98 |
| 8,392.00 | 1.69 | 158.99 | 8,345.49 | -254.23 | 431.75 | 501.03 | 0.10 | -0.07 | 2.56 |

Survey Report

Company:

US ROCKIES REGION PLANNING

Project:

UTAH - UTM (feet), NAD27, Zone 12N

Site: Well: UINTAH_NBU 1022-1I PAD

Wellbore:

NBU 1022-114CS

Design:

NBU 1022-1I4CS ACTUAL

Local Co-ordinate Reference:

Well NBU 1022-114CS

TVD Reference:

15' RKB + 5105' GL @ 5120.00ft (Xtreme 12) 15' RKB + 5105' GL @ 5120.00ft (Xtreme 12)

MD Reference:

North Reference:

Wellbore #1

Survey Calculation Method:

Minimum Curvature

Database:

edmp

| rvey | | | | | | | | | | |
|------|---------------------------|-----------------|----------------|---------------------------|---------------|---------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|
| | Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| | 8,505.00 | 1.88 | 152.96 | 8,458.43 | -257.44 | 433.19 | 503.91 | 0.24 | 0.17 | -5.34 |
| | LAST MWD | SURVEY | | | | | | | | |
| | 8,555.00 | 1.88 | 152.96 | 8,508.40 | -258.90 | 433.93 | 505.30 | 0.00 | 0.00 | 0.00 |
| | PROJECTIO | N TO TD | | | | | | | | |

| Checked By: | Approved By: | Date: | |
|--------------|--------------|-------|--|
| Circonoa Dy. | | | |